

Deposition of Michelle Maupin

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

12:12:54 1 THE WITNESS: Based on the information that was  
12:12:55 2 gathered, I would think not, but I can't speak to that  
12:13:00 3 directly.

12:13:42 4 MS. LEEBOVE: Q. I think you mentioned  
12:13:43 5 earlier, and I've been looking for it in our rough  
12:13:47 6 transcript here, that the salary ranges at Lucasfilm  
12:13:56 7 had increased two or three times since you started  
12:14:00 8 working there.

12:14:03 9 Do you remember our discussion of that?

12:14:04 10 A. Yes.

12:14:08 11 Q. Can you attribute those increases in the salary  
12:14:11 12 ranges or salary grades to the pay for performance  
12:14:17 13 process?

12:14:18 14 MS. SESSIONS: Objection. Compound. Vague.

12:14:27 15 THE WITNESS: It is not in conjunction of the  
12:14:29 16 pay for performance process. It's to a separate process  
12:14:33 17 that's done at the end of the year prior to the upcoming  
12:14:40 18 calendar year to review our market position and our  
12:14:47 19 ranges compared to that market position to see if we're  
12:14:51 20 maintaining market parity. Our range structure is. If  
12:14:57 21 our range structure is not maintaining market parity,  
12:15:00 22 then we will adjust the structure to be in line with  
12:15:04 23 market and our market philosophy.

12:15:17 24 MS. LEEBOVE: Q. When Lucasfilm makes  
12:15:18 25 adjustments to the salary structure in order to

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12:15:21 1 maintain market parity, does that adjust employee  
12:15:29 2 compensation?  
12:15:31 3 A. Not directly, no.  
12:15:32 4 Q. How does it not directly increase an employee's  
12:15:35 5 compensation?  
12:15:37 6 A. The range structure increases. An employee's  
12:15:41 7 salary increases based on their performance, and it's  
12:15:47 8 reviewed annually during the pay for performance.  
12:15:51 9 Q. Okay. So I have a question about the salary  
12:16:19 10 budgets. For instance, paragraph 35 of your declaration  
12:16:26 11 states, all out of cycle increases must come out of the  
12:16:29 12 call-out budget; therefore, if one employee receives an  
12:16:32 13 out of cycle increase, less money is left in the  
12:16:34 14 call-out budget to provide out of cycle increases to  
12:16:36 15 other employees.  
12:16:39 16 Do you see that in paragraph 35?  
12:16:41 17 A. Yes.  
12:16:41 18 Q. And do you agree with that paragraph 35?  
12:16:43 19 A. Yes.  
12:16:46 20 Q. Why couldn't Lucas just put more money in the  
12:16:51 21 call-out budget to increase salaries of more employees?  
12:16:57 22 MS. SESSIONS: Objection. Vague. And it's an  
12:17:00 23 incomplete hypothetical.  
12:17:07 24 THE WITNESS: So No. 1, the company will have a  
12:17:10 25 limited resource in terms of what they can afford.

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03:38:14 1 Q. So Exhibit B uses the term salary grade. I'm  
03:38:19 2 sure you must be familiar with the term salary grade.

03:38:23 3 A. Yes.

03:38:23 4 Q. And so what does that mean?

03:38:25 5 A. It is just a numerical value that defines a  
03:38:28 6 particular pay range or salary range.

03:38:36 7 Q. And so does the salary -- does your salary  
03:38:39 8 structure -- well, your salary structure obviously uses  
03:38:43 9 salary grades. How does this then relate to Lucas' job  
03:38:50 10 structure?

03:38:53 11 A. So each job within the job structure is  
03:38:59 12 assigned a salary grade which then determines what that  
03:39:03 13 salary range is for that job.

03:39:15 14 Q. Has Lucas had a salary structure similar to the  
03:39:18 15 one that you've attached to your declaration as  
03:39:21 16 Exhibit B for each year that you've worked there?

03:39:24 17 A. No.

03:39:26 18 Q. For which years was -- in which years was  
03:39:31 19 there -- did -- was there no salary structure?

03:39:36 20 A. I --

03:39:36 21 Q. As far as you know.

03:39:38 22 A. I believe we created a draft of one in 2006 as  
03:39:47 23 the beginnings of trying to create an overall structure  
03:39:51 24 for the company.

03:39:58 25 Q. So how does Lucas match -- or how do you match

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03:40:03 1 salary grades to jobs?

03:40:07 2 A. It's based on our compensation philosophy which  
03:40:09 3 is to pay at the [REDACTED] percentile of the marketplace.

03:40:19 4 Q. How would you know whether a particular job --  
03:40:22 5 how would you assign a particular job a salary grade?

03:40:27 6 A. So if we've gone through a job matching  
03:40:30 7 process, we know what jobs we have matched to what  
03:40:35 8 survey jobs, and we will look at the survey results to  
03:40:39 9 understand what the [REDACTED] percentile is for that job in  
03:40:43 10 the market. And that we will align -- then align that  
03:40:49 11 job to the pay range that closely aligns with the 50th  
03:40:53 12 percentile reported.

03:41:14 13 Q. That makes sense.

03:42:29 14 MS. LEEBOVE: The next exhibit, please.

03:42:31 15 THE REPORTER: 721.

03:42:32 16 (Whereupon, Exhibit 721 was marked for  
03:42:32 17 identification.)

03:42:34 18 MS. LEEBOVE: Q. Ms. Maupin, you've been  
03:42:34 19 handed exhibit marked No. 721, LUCAS00199901 through  
03:42:41 20 99903. Take a moment to look at it and let me know  
03:42:47 21 if you recognize it.

03:43:32 22 A. Yes.

03:43:36 23 Q. My question is how you came up with -- well, do  
03:43:42 24 you recognize these email messages as messages that were  
03:43:48 25 sent between you and Amber Remaley in February of 2011?



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04:30:27 1 primarily what the competitive rate is for that skill

04:30:32 2 set.

04:30:35 3 Q. Are there any other factors that you would  
04:30:39 4 consider in deciding whether an employee's compensation  
04:30:41 5 is fair besides understanding what the job and skill set  
04:30:45 6 is worth based on competitive rates?

04:30:51 7 A. Yes. How that -- the -- how the employee's  
04:30:57 8 particular skill, performance and contributions align  
04:31:06 9 with the expectations for that job.

04:31:16 10 Q. Are there any other factors you would consider?

04:31:25 11 A. Ensuring that we're abiding by all the  
04:31:29 12 employment laws would be fair.

04:31:32 13 Q. That's a good one.

04:31:35 14 Is it a component of fairness in your view that  
04:31:37 15 two employees with equal value should be paid roughly  
04:31:39 16 the same?

04:31:41 17 MS. SESSIONS: Objection. Vague.

04:31:46 18 THE WITNESS: You'd have to clarify what you  
04:31:48 19 mean by value.

04:31:50 20 MS. LEEBOVE: Q. Is it a component of  
04:31:51 21 fairness that two employees with equal worth to a  
04:31:58 22 company should be paid roughly the same?

04:32:01 23 MS. SESSIONS: Same objection.

04:32:07 24 THE WITNESS: So again, I would have to  
04:32:10 25 understand what you mean by worth. But I would say if

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In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

04:32:16 1 you're looking at two employees and comparing them and  
04:32:18 2 they have the same job, same skill set, are performing  
04:32:26 3 at categorically the same level and therefore are  
04:32:33 4 aligned in the same pay range, they do not have to be --  
04:32:35 5 they should be paid similarly within that pay range, but  
04:32:37 6 they don't have to be paid exactly.

04:32:44 7 MS. LEEBOVE: Q. So would you agree that it's  
04:32:46 8 a component of fairness that two employees who are doing  
04:32:50 9 similar jobs well or similar jobs similarly should be  
04:32:57 10 compensated similarly?

04:32:59 11 MS. SESSIONS: Objection. Vague.

04:33:07 12 THE WITNESS: Pay in many instances in most  
04:33:12 13 comp philosophies is based on employee performance. So  
04:33:17 14 employee performance will differentiate one employee's  
04:33:22 15 pay with another even if their skill set is the same and  
04:33:29 16 they're performing the same job.

04:33:37 17 MS. LEEBOVE: Q. I understand.

04:33:38 18 So your view, which I think is a reasonable  
04:33:42 19 one, that an employee who does a far and away better job  
04:33:45 20 than another employee, even though they have the same  
04:33:47 21 job, may be compensated slightly more?

04:33:56 22 A. There should be a difference. Yes.

04:34:43 23 (Whereupon, Exhibits 725 and 726 were marked  
04:34:43 24 for identification.)

04:35:30 25 MS. LEEBOVE: Q. Ms. Maupin, you've been

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05:20:17 1 versus having a relative peer group to compare this  
05:20:20 2 individual to.

05:20:56 3 Q. If there are different levels to a particular  
05:21:00 4 category of employee, so if we're in a job family and  
05:21:04 5 within that job family are various employees at  
05:21:08 6 different levels -- does that make sense to you so far?

05:21:11 7 A. Yes.

05:21:15 8 Q. If the pay of the lowest level employee in that  
05:21:21 9 job family increases, would internal equity require  
05:21:26 10 adjusting the pay for the higher level employees in the  
05:21:29 11 same job family?

05:21:30 12 A. Not necessarily.

05:21:44 13 Q. When would internal equity require adjusting  
05:21:45 14 the pay for higher level employees in the same job  
05:21:49 15 family where the pay of the lowest employee in the job  
05:21:55 16 family increased?

05:22:07 17 A. I would think extremely rare, primarily because  
05:22:12 18 in a job family you have typically three to four levels  
05:22:16 19 and the lowest level would be three to four levels  
05:22:21 20 below, obviously, the senior level. So there would be  
05:22:25 21 quite a wide gap in terms of salary.

05:22:38 22 Q. I just want to go back because actually my  
05:22:40 23 colleague James here just found this reference in your  
05:22:44 24 declaration at paragraph 9, line 20 and a half.

05:22:54 25 The declaration states, "The company has never

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1 I, Gina V. Carbone, Certified Shorthand  
2 Reporter licensed in the State of California, License  
3 No. 8249, hereby certify that the deponent was by me  
4 first duly sworn and the foregoing testimony was  
5 reported by me and was thereafter transcribed with  
6 computer-aided transcription; that the foregoing is a  
7 full, complete, and true record of said proceedings.

8 I further certify that I am not of counsel or  
9 attorney for either of any of the parties in the  
10 foregoing proceeding and caption named or in any way  
11 interested in the outcome of the cause in said caption.

12 The dismantling, unsealing, or unbinding of  
13 the original transcript will render the reporter's  
14 certificates null and void.

15 In witness whereof, I have hereunto set my  
16 hand this day: February 21, 2013.

17   X   Reading and Signing was requested.

18        Reading and Signing was waived.

19        Reading and signing was not requested.

20


21

22

23

24

25

  
GINA V. CARBONE  
CSR 8249, RPR, CCRR



# Exhibit 6

UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE )  
ANTITRUST LITIGATION )  
 ) No. 11-CV-2509-LHK  
THIS DOCUMENT RELATES TO: )  
ALL ACTIONS. )

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DEPOSITION OF: DONNA MORRIS

HIGHLY CONFIDENTIAL - ATTORNEYS' EYES ONLY

August 21, 2012

Reported by: Anne Torreano, CSR No. 10520

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12:07:58 1 necessarily the range would be adjusted on a regular  
12:08:01 2 basis.

12:08:01 3 Q. So let's talk first about the code or level.

12:08:06 4 How are the codes or levels adjusted over  
12:08:08 5 time?

12:08:10 6 A. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

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12:10:05 12 And there were periods of time where

12:10:07 13 financially, because of different company factors, we

12:10:13 14 were not able to provide salary increments, most

12:10:18 15 notably during the recession period of time. And there

12:10:22 16 were times where we also made other changes to pay.

12:10:25 17 [REDACTED]

[REDACTED]

[REDACTED]

12:10:33 20 And then the biggest aspect would be the

12:10:35 21 performance of the actual employee and the

12:10:37 22 determination by the respective manager in terms of

12:10:43 23 determining the level of contributions, the level of

12:10:46 24 performance and what, if any, base salary adjustment

12:10:50 25 and what, if any, bonus payment and what, if any,



12:10:54 1 equity allocation on an annual basis.

12:10:58 2 Q. So in setting the compensation, the range of  
12:11:02 3 compensation for a particular job code, Adobe would  
12:11:04 4 look at what the marketplace was paying that job  
12:11:07 5 category or code and then also look at its own ability  
12:11:10 6 to pay?

12:11:11 7 A. Correct, and the performance of the individual  
12:11:14 8 relative to that, yes.

12:11:15 9 Q. And the performance of the individual would  
12:11:18 10 inform where that employee was paid and the range for  
12:11:21 11 that category?

12:11:22 12 A. It would inform where the person was paid  
12:11:25 13 within the range, but also and including the percentage  
12:11:31 14 that they might be eligible to receive in terms of what  
12:11:34 15 we called a focal review or an annual salary review.

12:11:39 16 Q. And how did the annual salary review or focal  
12:11:46 17 review, how was that informed by the salary range that  
12:11:53 18 Adobe provided for the particular job category of that  
12:11:56 19 individual?

12:11:57 20 A. So the actual -- [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

12:13:06 16 Q. Okay. Thank you.

12:13:08 17 Did Adobe ever increase its salary ranges to

12:13:18 18 stay competitive in the market for talent?

12:13:21 19 MR. KIERNAN: Objection. Lacks foundation,

12:13:24 20 vague and ambiguous. And what time period?

12:13:29 21 THE WITNESS: Yeah, so specifically at what

12:13:30 22 point in time, and, you know, clearly, as mentioned

12:13:35 23 earlier, we are an IP-based business, so, you know, our

12:13:39 24 desire is -- the only way you can attract and retain

12:13:43 25 talent, one of those elements is compensation. So

01:47:06 1 Do you see that?

01:47:06 2 A. Correct, yes.

01:47:07 3 Q. So you're saying your team includes the  
01:47:08 4 recruiters at this point?

01:47:10 5 A. Yes.

01:47:11 6 Q. Okay. And HR consulting, that's part of HR?

01:47:18 7 A. That is, yes.

01:47:19 8 Q. Right?

01:47:19 9 So you're saying you need to think about the  
01:47:24 10 consultation going on between the recruiters and  
01:47:27 11 consulting, to talk about when and if people are being  
01:47:31 12 outside -- hired outside the salary range for a  
01:47:34 13 category?

01:47:34 14 A. Well, I don't know if specifically I was  
01:47:37 15 saying that. I'm saying just in general the  
01:47:40 16 partnership between the recruiters and HR consulting,  
01:47:42 17 is what I see here.

01:47:43 18 Q. And one of the things you say is that you need  
01:47:49 19 to make sure or she needs to make sure -- Ms. Swarthout  
01:47:53 20 needs to make sure that if people are being hired  
01:47:55 21 outside the salary range for a particular job category,  
01:47:58 22 that your team, the recruiters and HR consulting, are  
01:48:02 23 being brought into the process? Is that part of what  
01:48:04 24 you're saying?

01:48:05 25 MR. KIERNAN: Objection. Misstates the

01:48:07 1 testimony.

01:48:07 2 THE WITNESS: I'm not saying that.

01:48:09 3 What I'm reading is that we were to -- we  
01:48:13 4 want -- you know, I expressed the desire to meet with  
01:48:18 5 Ellen and discuss the situation. So that's what this  
01:48:21 6 says.

01:48:21 7 BY MR. CRAMER:

01:48:21 8 Q. And then you said, "especially considering  
01:48:23 9 this could impact internal equity."

01:48:25 10 Do you see that?

01:48:25 11 A. Yes.

01:48:25 12 Q. What does that mean?

01:48:27 13 A. Internal equity is just parity between  
01:48:31 14 candidates and employees. So the difference in pay  
01:48:33 15 between employees that are already part of our team  
01:48:36 16 versus employees that we're hiring into the company.

01:48:39 17 Q. So there's some concept called "internal  
01:48:42 18 equity" whereby if you hire an employee outside the  
01:48:46 19 range for a particular job category, that could create  
01:48:50 20 some issues with equity within the company?

01:48:53 21 A. That's not really what the concept of internal  
01:48:55 22 equity is.

01:48:55 23 Q. All right. Explain it to me.

01:48:57 24 A. So internal equity is about looking at skills  
01:49:01 25 and capabilities which are similar. There's a lot of



01:49:05 1 factors that come into consideration, but skills and  
01:49:08 2 capabilities that are similar. Is their eventual  
01:49:12 3 earning potential similar within a range? It's not to  
01:49:14 4 say that they are paid the exact same, but are they at  
01:49:17 5 least within the same range?  
01:49:19 6 So this would be indicating of how do we  
01:49:21 7 ensure that people are put in the right range in -- you  
01:49:26 8 know, based on their job.

01:49:27 9 Q. Did you subsequently talk -- you said in the  
01:49:34 10 last paragraph, "Look forward to our discussion, and my  
01:49:37 11 thanks for being a champion to this happening."

01:49:39 12 Did you in fact have a discussion with  
01:49:41 13 Ms. Swarthout about these issues?

01:49:44 14 A. If I did, I don't recall.

01:49:45 15 Q. Okay. It's fair to say that in July 2004 you  
01:50:07 16 considered recruiters part of your team in HR?

01:50:09 17 A. That was a key part of my responsibilities,  
01:50:12 18 yes.

01:50:12 19 Q. Why -- you said, in the second sentence of the  
01:50:19 20 first paragraph, "especially considering this could  
01:50:23 21 impact internal equity."

01:50:25 22 Was the "this" you were referring to hiring  
01:50:27 23 people outside the salary range?

01:50:29 24 A. Yes.

01:50:30 25 Q. Okay. So that was a concern of yours in HR,

01:50:35 1 if people were being hired outside of a salary range  
01:50:38 2 for a particular category?

01:50:39 3 MR. KIERNAN: Objection. Compound.

01:50:44 4 BY MR. CRAMER:

01:50:44 5 Q. Is that fair?

01:50:45 6 MR. KIERNAN: Objection. Compound.

01:50:47 7 BY MR. CRAMER:

01:50:47 8 Q. Was it a concern --

01:50:48 9 A. My comment was specific to what she sent to  
01:50:51 10 me, for which obviously I was not aware that people  
01:50:53 11 were being hired outside of the range, and if that was  
01:50:56 12 a practice, that would be a concern.

01:50:58 13 Q. Okay. All right. You can put that document  
01:51:03 14 aside. Thank you.

01:51:21 15 Does Adobe consider the turnover rate for a  
01:51:27 16 particular position in setting its salary?

01:51:29 17 A. The turnover rate, no.

01:51:30 18 Q. No?

01:51:31 19 Or attrition for that position?

01:51:33 20 A. No. For a position? No.

01:51:34 21 Q. No.

01:51:35 22 How -- in setting salaries, in what sense, if  
01:51:40 23 at all, does Adobe take into account attrition or  
01:51:46 24 turnover rate?

01:51:47 25 A. Attrition is not a factor in terms of

05:58:39 1 your general counsel in which you received briefing  
05:58:41 2 regarding the meaning of the antitrust laws?

05:58:44 3 A. A number of times.

05:58:45 4 Q. Were there other people present?

05:58:46 5 A. For some of those meetings, yes.

05:58:52 6 MR. CRAMER: All right. That's all the  
05:58:52 7 questions I have. Thanks.

05:58:56 8 Anybody else?

05:58:59 9 All right. That's it. Go off the record.

05:59:01 10 THE VIDEOGRAPHER: This is the end of video 4  
05:59:03 11 and conclusion of today's proceedings. The time is  
05:59:06 12 5:59 p.m. We're off the record.

13 (Deposition adjourned at 5:59 p.m.)

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## REPORTER'S CERTIFICATE

I, Anne Torreano, Certified Shorthand Reporter licensed in the State of California, License No. 10520, hereby certify that the deponent was by me first duly sworn, and the foregoing testimony was reported by me and was thereafter transcribed with computer-aided transcription; that the foregoing is a full, complete, and true record of said proceedings.

I further certify that I am not of counsel or attorney for either or any of the parties in the foregoing proceeding and caption named or in any way interested in the outcome of the cause in said caption.

The dismantling, unsealing, or unbinding of the original transcript will render the reporter's certificates null and void.

In witness whereof, I have subscribed my name this 31st day of August, 2012.

☒ Reading and Signing was requested.

☐ Reading and Signing was waived.

☐ Reading and Signing was not requested.

\_\_\_\_\_  
ANNE M. TORREANO, CSR No. 10520



# Exhibit 7

1 UNITED STATES DISTRICT COURT  
2 NORTHERN DISTRICT OF CALIFORNIA  
3 SAN JOSE DIVISION  
4

5 IN RE: HIGH-TECH EMPLOYEE )  
6 ANTITRUST LITIGATION )  
7 ) No. 11-CV-2509-LHK  
8 THIS DOCUMENT RELATES TO: )  
9 ALL ACTIONS. )  
10 \_\_\_\_\_ )  
11

12 VIDEOTAPED DEPOSITION OF MASON STUBBLEFIELD  
13 ATTORNEYS' EYES ONLY  
14 Friday, March 29, 2013  
15  
16  
17  
18  
19  
20  
21  
22  
23

24 Reported By:  
25 KATHLEEN WILKINS, CSR #10068, RPR-RMR-CRR-CCRR-CLR

10:28:13 1

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

10:28:38 10

Q. And do you recall in the 2005 era what

10:28:41 11

types of market survey information you were

10:28:43 12

collecting?

10:28:44 13

A.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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\_\_\_\_\_

10:30:25 1

[REDACTED]

10:30:27 2

Q. Okay. Do you have a sense of what

10:30:32 3

the -- the key jobs are for you to get market data

10:30:37 4

on?

10:30:39 5

A. [REDACTED]

[REDACTED] 6

[REDACTED]

[REDACTED] 7

[REDACTED] [REDACTED]

[REDACTED] 8

[REDACTED]

[REDACTED] 9

[REDACTED]

[REDACTED] 10

[REDACTED]

10:30:58 11

Q. And why do you try to benchmark these

10:30:59 12

jobs to the market?

10:31:02 13

A. Be able to pay competitively.

10:31:12 14

Q. Is there a process by which you or

10:31:15 15

others that you were aware of in the organization

10:31:17 16

in that 2005/2009 time period would review market

10:31:23 17

data to determine whether there should be salary

10:31:26 18

adjustments because the market was changing for

10:31:28 19

certain jobs?

10:31:29 20

A. Sure. We would look at the data as a --

10:31:32 21

you know, as one reference point for us in knowing

10:31:35 22

how fast the market is moving and how much things

10:31:37 23

are changing in the market and use that as an

10:31:40 24

indication of what -- a piece of data or something

10:31:42 25

that may help us in determining what our merit

10:36:46 1

Q. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

10:36:54 6

Q. Right.

10:36:55 7

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

10:37:06 13

MR. KIERNAN: Object to form.

10:37:10 14

THE WITNESS: [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

10:37:22 20

BY MS. DERMODY:

10:37:22 21

Q. [REDACTED]

[REDACTED]

[REDACTED]

10:37:29 24

MR. KIERNAN: Object to form.

10:37:32 25

THE WITNESS: The --

\_\_\_\_\_



10:38:31 1

[REDACTED]

[REDACTED]

[REDACTED]

10:38:41 3

Q.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

10:38:56 7

A.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

10:39:02 10

Q. And who were those people?

10:39:04 11

A. The role was essentially split between

10:39:07 12

two people. Parrish Pullen.

10:39:13 13

Q. And?

10:39:13 14

A. And Christina Hall. And I did remember

10:39:18 15

the last name of the other person. Patricia Kada,

10:39:22 16

K-A-D-A.

10:39:28 17

Q. Thank you.

10:39:30 18

What were Mr. Pullen and Miss Hall's

10:39:35 19

responsibilities?

10:39:37 20

A. Miss Hall took on most of the

10:39:39 21

responsibilities that I had had in executive

10:39:41 22

compensation and equity compensation, and

10:39:43 23

Mr. Pullen took on more of the base pay

10:39:46 24

responsibilities that I had had initially. And

10:39:49 25

that evolved some over time. And I don't know

01:23:07 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED] [REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED]

[REDACTED]

01:23:32 11

This second page we went to first on its

01:23:35 12

own has no context.

01:23:36 13

Q. Looking at the page before where it says

01:23:38 14

"Assess and Calibrate Across Organization," [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

01:23:44 17

Do you see that?

01:23:45 18

A. Yes, I do see that.

01:23:46 19

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

01:24:01 25

Q. What's your understanding of what that

01:24:03 1 means?

01:24:04 2 A. Like I said, I don't know specifically  
01:24:05 3 what it meant here, but the example that you  
01:24:08 4 provided would be a likely scenario of things that  
01:24:11 5 we would want managers to be looking at. Managers  
01:24:16 6 don't have access to all that information. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

01:24:44 17 Q. How do you train managers to do what  
01:24:48 18 item C instructs about evaluating exposure in  
01:24:53 19 determining whether it's defensible?

01:24:56 20 A. We train managers to focus on  
01:24:58 21 performance and making pay decisions based on  
01:25:02 22 performance.

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

01:25:09 1 A. Like I said, I'm not sure what the  
01:25:10 2 context was for this on this slide or this page.  
01:25:13 3 We train managers to focus on performance and to  
01:25:15 4 make their decisions based on performance.

[REDACTED]

01:25:39 12 BY MS. DERMODY:

01:25:40 13 Q. And do you have a training that's  
01:25:41 14 focused on managing diversity or diverse people?

01:25:46 15 A. We do.

01:25:46 16 Q. And is part of that training focused on  
01:25:49 17 ensuring that there is fairness of treatment  
01:25:51 18 across different demographic groups?

01:25:59 19 A. The training focuses on managing  
01:26:00 20 diversity, focused on inclusion within the  
01:26:03 21 workplace.

01:26:05 22 Q. Is there a training that focuses on  
01:26:07 23 paying people that have similar talent and similar  
01:26:12 24 performance the same inclusive of different  
01:26:14 25 demographic groups?

01:26:15 1 A. We don't have any training that focuses  
01:26:17 2 on paying anybody the same. All of our focus on  
01:26:20 3 training on compensation is paying for  
01:26:22 4 performance, and appropriate pay for the person,  
01:26:24 5 the skills they bring, and the contribution that  
01:26:26 6 they bring. We specifically train not to focus on  
01:26:31 7 internal equity in paying people the same.

01:26:32 8 Q. But assuming that you have two people  
01:26:34 9 that have the same skill level and are giving the  
01:26:38 10 same performance, is the expectation that their  
01:26:41 11 pay would be the same?

01:26:43 12 MR. KIERNAN: Object to form.

01:26:44 13 THE WITNESS: No.

01:26:45 14 BY MS. DERMODY:

01:26:45 15 Q. What would be the distinction between  
01:26:47 16 those two people?

01:26:49 17 A. There could be a number of different  
01:26:50 18 factors that could drive a distinction. We would  
01:26:52 19 expect them to be paid comparably or similarly,  
01:26:55 20 but we wouldn't expect them to be paid the same.

01:26:58 21 Q. And what might distinguish them in that  
01:27:00 22 hypothetical?

01:27:01 23 A. Could be background and experience,  
01:27:04 24 could be prior roles, could be a number of  
01:27:06 25 different factors of things that they brought with

01:27:09 1 them to the role that the manager believes drives  
01:27:12 2 the different value for them today.

01:27:14 3 Q. So if they -- if one of them had more  
01:27:16 4 tenure with the company, more knowledge of the  
01:27:20 5 job, for example, that would be a distinction?

01:27:21 6 A. We don't focus on tenure with the  
01:27:24 7 company as a factor. So someone might have come  
01:27:26 8 in with a different background or different  
01:27:28 9 experience an individual manager sees as having a  
01:27:31 10 different value. It's the manager's discretion in  
01:27:33 11 that case. So not something that the company  
01:27:36 12 specifically is looking for that should say they  
01:27:39 13 should be paid the same.

01:27:40 14 Q. And if the hypothetical is that the  
01:27:43 15 people come in straight out of college, same  
01:27:45 16 experience, same performance, would the  
01:27:47 17 expectation be that they would be paid the same?

01:27:51 18 MR. KIERNAN: Object to form.

01:27:54 19 THE WITNESS: The -- the one area where  
01:27:56 20 we have more consistency in pay is with new grads,  
01:28:01 21 because they generally have no work experience.  
01:28:02 22 And so fairly typical practice is to pay them  
01:28:05 23 roughly the same. It starts to differentiate as  
01:28:08 24 they have differences in performance.

01:28:09 25 We don't expect everyone in the same

[REDACTED] ■  
[REDACTED] ■  
01:33:20 3

[REDACTED]  
[REDACTED]  
Q. Would that be akin to an internal benchmark?

01:33:23 5

A. Benchmark is probably broad. It's a data point.

01:33:27 6

01:33:34 7

Q. [REDACTED]

[REDACTED] ■

[REDACTED]

[REDACTED] ■

■ [REDACTED]

[REDACTED]

■ [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

■ [REDACTED]

01:33:45 15

Q. And what does that mean?

01:33:49 16

A. I think it refers back to the page we were -- two pages we were looking at on the other document on the calibration process, looking at employees and calibrating across decisions with the intent to recognize that we're paying for performance.

01:33:51 17

01:33:53 18

01:33:56 19

01:33:59 20

01:34:02 21

01:34:03 22

Q. And by "calibrating decisions," does that mean that you're linking equivalent performance to similar pay decisions?

01:34:05 23

01:34:09 24

01:34:20 25

A. No. It's looking to make sure there's



01:34:22 1 alignment between performance and pay decisions.

01:34:25 2 It's not trying to get to the same decisions.

01:34:27 3 Q. Okay. What is pay equity as referenced  
01:34:31 4 here?

01:34:31 5 A. It's looking for that -- I think it's  
01:34:33 6 looking for that relationship between pay and  
01:34:36 7 performance in that your highest performing  
01:34:38 8 employee should likely be one of your highest paid  
01:34:42 9 employees.

01:34:46 10 Q. And what was the ranking process that  
01:34:49 11 happened?

01:34:51 12 A. I couldn't say specifically what  
01:34:53 13 processes were used. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

01:35:07 19 Q. Can you tell me which document you're  
01:35:08 20 talking about?

01:35:09 21 A. Sorry. That was the one that's labeled  
01:35:11 22 2739.

01:35:31 23 Q. Oh, the page that had those boxes?

01:35:35 24 A. Yes.

01:35:35 25 Q. [REDACTED]

[REDACTED] ■

[REDACTED]

[REDACTED] ■

[REDACTED]

[REDACTED] ■

■

[REDACTED]

[REDACTED]

[REDACTED] ■

[REDACTED]

01:35:53 5

MR. KIERNAN: Kelly, if it's helpful,

01:35:55 6

it's also in this -- it's also in the current

01:35:58 7

exhibit.

01:35:59 8

MS. DERMODY: Oh, please tell me where.

01:36:00 9

That would be much --

01:36:02 10

MR. KIERNAN: 2740. And it has page

01:36:03 11

numbers. So it's page 20 and 21.

01:36:10 12

MS. DERMODY: Bless you, Mr. Kiernan.

01:36:16 13

MR. KIERNAN: I don't want to go back to

01:36:18 14

that other document because of the length.

01:36:20 15

MS. DERMODY: Yes. Yes. Hard to use.

01:36:21 16

Great.

01:36:22 17

Q. So in Exhibit 2740 on page 21, is this

01:36:27 18

the chart that you were referencing?

01:36:33 19

A. Yes.

[REDACTED]

■

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

■

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

01:50:25 1 Q. Do you have an understanding of what the  
01:50:27 2 attachments are reflecting?

01:50:33 3 A. It's reflecting two things. So on the  
01:50:37 4 what I guess I would think of as page 2 in this,  
01:50:40 5 so the page that says, "Intuit strategy  
01:50:43 6 positions," this is a list of the positions that  
01:50:46 7 Intuit had for those roles.

01:50:48 8

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

01:51:18 21 The third page is some data that she had  
01:51:21 22 collected from outside conversations with her  
01:51:24 23 recruiting firm on how some of the organizations  
01:51:26 24 that we might be recruiting from were paying  
01:51:29 25 similar positions.

01:51:43 1 Q. If you go back to the first page of this  
01:51:45 2 document, the third paragraph says:

01:51:50 3

[REDACTED] 4

[REDACTED] 5

[REDACTED] 6

[REDACTED] 7

[REDACTED] 8

[REDACTED] 9

[REDACTED] 10

[REDACTED] 11

01:52:07 12

Do you see that?

01:52:08 13

A. Yes.

01:52:08 14

Q.

[REDACTED] 15

[REDACTED] 16

[REDACTED] 17

[REDACTED] 18

[REDACTED] 19

[REDACTED] 20

[REDACTED] 21

[REDACTED] 22

[REDACTED] 23

[REDACTED] 24

[REDACTED] 25

01:52:43 1

[REDACTED]

01:52:45 2

Q. So when you had those discussions, what

01:52:47 3

would be the vocabulary you would use?

01:52:52 4

A. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

01:53:40 21

Q. Okay.

01:53:40 22

(Whereupon, Deposition Exhibit 2742

01:53:40 23

was marked for identification.)

01:55:02 24

BY MS. DERMODY:

01:55:02 25

Q. This document marked 2742 should have

14           The dismantling, unsealing, or unbinding  
15       of the original transcript will render the  
16       reporter's Certificates null and void.

19	x	Reading and Signing was requested.
----	---	------------------------------------

20 Reading and Signing was waived.

21	Reading and signing was not requested.
----	--

22

23 KATHLEEN A. WILKINS

24 CSR 10068, RPR-RMR-CRR-CCRR-CLR

# Exhibit 8



1 IN THE UNITED STATES DISTRICT COURT

2 NORTHERN DISTRICT OF CALIFORNIA

3 SAN JOSE DIVISION

4 IN RE: HIGH-TECH EMPLOYEE ANTITRUST  
LITIGATION

5 THIS DOCUMENT RELATES TO: NO: Master Docket No.  
6 11-CV-2509-LHK

7 ALL ACTIONS.

8  
9  
10 CONFIDENTIAL - ATTORNEYS' EYES ONLY

11  
12  
13 VIDEOTAPED DEPOSITION OF DANIEL ROBERT MCKELL  
March 20, 2013  
14 10:06 a.m.  
Hyatt Regency Hotel  
15 330 Tijeras, Northwest  
Albuquerque, New Mexico  
16

17 PURSUANT TO THE FEDERAL RULES OF CIVIL  
18 PROCEDURE, this deposition was:

19 TAKEN BY: MR. SARAH R. SCHALMAN-BERGEN  
Attorney for Plaintiffs

20 REPORTED BY: Mary Abernathy Seal, RDR, CRR, NM CCR 69  
21 Bean & Associates, Inc.  
Professional Court Reporting Service  
22 201 Third Street, Northwest, Suite 1630  
Albuquerque, New Mexico 87102  
23

24 (6941K) MAS  
25

11:50 1 A. So I would both deliver -- I'd deliver  
2 training, sometimes to managers, explaining our  
3 total compensation philosophy, strategy. I would  
4 deliver presentations that would share our pay  
11:50 5 position relative to market, would get inputs on who  
6 we benchmark against. I would do analysis on pay  
7 issues or concerns that a manager might raise. I'd  
8 provide input on budget per focal, in particular the  
9 special market adjustment budget. That's probably  
11:51 10 90 percent or the bulk of the responsibility.

11 11 Q. Describe what you mean by "special market  
12 adjustment budget."

13 A. In Intel's focal process, most years there  
14 are three buckets of budget for managers to  
11:52 15 allocate: Merit, which is the biggest part of the  
16 budget. Managers are expected to allocate that, we  
17 say, meritocratically, based on -- so people with  
18 the highest -- best ratings get the biggest  
19 increases, is basically the philosophy. There's a  
11:52 20 promotion budget for people who are changing grades,  
21 and then there's a special market adjustment budget  
22 that's for dealing with jobs that are below market,  
23 below our goals for the market, yeah.

24 Q. What was your role in dealing with the  
11:53 25 special market adjustment budget while you were a

11:57

1

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

12:18 1 Q. Did you know what the minimum and maximum  
2 of the range in grade 8 were at the time?

3 A. I'm sure I did.

4 Q. Did you know what the midpoint of grade 8  
12:18 5 was at the time?

6 A. I'm sure I did.

7 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

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12:19

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

6

Q. Has your manager changed at all since you

7

have been in grade 8?

8

A. Yes.

9

Q. How has your manager changed? Or excuse

12:20

10

me, who are the managers that you have had since you

11

have been in grade 8?

12

A. Jodie Hickam was the one what promoted me

13

to tactical grade 8, and Claire Gray has been my

14

manager since being a grade 8, after I changed jobs

12:20

15

from the exec comp role into another compensation

16

role.

17

Q. And when did you change jobs from the exec

18

comp role? Was that to the compensation manager

19

job?

12:20

20

A. No. I -- I was still comp and benefits

21

specialist by the official system. Internally, I

22

was base pay program manager, and that was in April

23

2008.

24

Q. What were your job responsibilities as

12:20

25

base pay program manager?

[illegible]



\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

12:46

1

[REDACTED]

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01:02 1 the manager's head, I guess.

2 Q. And have you used this Excel data dump to  
3 study how often the manager decisions -- or to  
4 compare the manager decisions to the  
01:03 5 recommendations?

6 A. Yes.

7 Q. How often have you done that?

8 A. Me personally?

9 Q. Yes.

01:03 10 A. I'm starting to do it as a part of my  
11 role, and looking back over multiple years to see  
12 what the trend is. I don't know that it's been done  
13 before. I have looked at it in previous years for  
14 certain aspects, but not in a -- not in as  
01:03 15 comprehensive a way as I'm intending to look at it  
16 now.

17 Q. And what results or conclusions did you  
18 learn or draw from reviewing those certain aspects?

19 MR. SHAH: Object to form.

01:04 20 A. We haven't completed the analysis, so I  
21 haven't drawn conclusions yet.

22 Q. What have you learned about how often  
23 managers accept the recommendations from the focal  
24 tool?

01:04 25 MR. SHAH: Object to form.

to give me your best testimony?



02:08

1

MR. SHAH: Object to form.

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# Exhibit 9

1 UNITED STATES DISTRICT COURT  
2 NORTHERN DISTRICT OF CALIFORNIA  
3 SAN JOSE DIVISION  
4  
5

6 IN RE: HIGH-TECH EMPLOYEE )  
7 ANTITRUST LITIGATION )  
8 ) No. 11-CV-2509-LHK  
9 THIS DOCUMENT RELATES TO: )  
10 ALL ACTIONS. )  
11 \_\_\_\_\_ )  
12  
13

14 ATTORNEYS' EYES ONLY  
15 VIDEO DEPOSITION OF ROSEMARY ARRIADA-KEIPER  
16 March 28, 2013  
17  
18

19 REPORTED BY: GINA V. CARBONE, CSR NO. 8249, RPR, CCRR  
20  
21  
22  
23  
24  
25

09:34:43 1

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09:35:43 23

THE VIDEOGRAPHER: Excuse me. Can you avoid of

09:35:45 24

touching the cable.

09:35:48 25

THE WITNESS: I'm sorry. I do a lot with my

09:35:49 1 hands. I'll try to keep them up here.

09:35:52 2 THE VIDEOGRAPHER: It makes a noise --

09:35:53 3 THE WITNESS: I use my hands a lot.

09:35:57 4 MS. LEEBOVE: Q. [REDACTED]

[REDACTED] [REDACTED]

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09:36:49 22 Q. That's about all the math I can do right there.

09:36:51 23 A. That's good. That's really good.

09:36:54 24 [REDACTED]

[REDACTED] [REDACTED]

09:36:58 1

Q. How do --

09:37:00 2

A. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

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[REDACTED] 5

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[REDACTED] 6

[REDACTED]

09:38:38 7

Q. As a compensation analyst, did you ever study

09:38:44 8

whether employees were -- how many employees were being

09:38:47 9

paid below the range for their job?

09:38:50 10

A. It's part of the reporting. So we'll look at

09:38:52 11

how many employees are below the minimum, we'll look at

09:38:55 12

how many are above the maximum, we'll look at how many

09:38:58 13

are targeted, you know, in what percentile. So, yeah,

09:39:00 14

we definitely look at that information.

09:39:06 15

Q. Has that been true for -- if I use the term

09:39:09 16

"class period," do you understand what I would be --

09:39:13 17

what I'm referring to?

09:39:14 18

A. No.

09:39:15 19

Q. So the class period -- and we'll talk about

09:39:19 20

your declaration a little bit later.

09:39:20 21

A. Okay.

09:39:21 22

Q. But when I refer to the class period, I'm

09:39:24 23

talking about the period of time between January 1st,

09:39:27 24

2005 and December 31st, 2009.

09:39:29 25

A. Okay.

09:39:31 1 Q. So do you know whether for the entire -- for  
09:39:34 2 the entire class period it's been Adobe's policy to  
09:39:41 3 review whether employees are being paid in or out of  
09:39:44 4 range?

09:39:45 5 A. So yeah. So it's always been a part of the  
09:39:48 6 process to kind of look at where employees are  
09:39:50 7 positioned relative to the ranges that we're developing.

09:39:57 8 Q. And has this process of -- and has Adobe  
09:40:01 9 participated in surveys for the whole class period?

09:40:04 10 A. As long as I can remember, yeah.

09:40:06 11 Q. And has Adobe engaged in this annual process of  
09:40:09 12 comparing its salaries to market on an annual basis --

09:40:12 13 A. Yes.

09:40:12 14 Q. -- throughout the class period?

09:40:13 15 A. Yeah.

09:40:23 16 (Discussion off the record.)

09:40:33 17 MS. LEEBOVE: Q. So we were talking about  
09:40:34 18 your job duties as a compensation analyst, and you  
09:40:36 19 mentioned surveys, benchmarking, analysis. And was  
09:40:41 20 the analysis that we just discussed the analysis  
09:40:44 21 that you were talking about when you referred to  
09:40:48 22 doing analysis as a compensation analyst?

09:40:50 23 A. That's one of them.

09:40:51 24 Q. What other sorts of analyses did you do as a  
09:40:54 25 compensation analyst?

10:46:11 1 Q. Roughly?

10:46:12 2 A. Roughly about 12,000 globally.

10:46:18 3 Q. Do you know how many of the roughly 12,000 jobs  
10:46:21 4 globally are in the United States?

10:46:25 5 A. 12,000 employees.

10:46:26 6 Q. Of the -- right. Do you know of the -- of  
10:46:30 7 Adobe's roughly 12,000 employees, do you know how many  
10:46:33 8 reside in the United States?

10:46:34 9 A. Roughly 6,000.

10:46:40 10 Q. Is it fair to say that throughout the class  
10:46:41 11 period, approximately half of Adobe's employees have  
10:46:44 12 been located in the U.S.?

10:46:48 13 A. I don't know. Our distribution has shifted  
10:46:51 14 over the years, so I don't know that it's always been  
10:46:54 15 half.

10:46:55 16 Q. Okay. Do you know how many job categories  
10:46:58 17 Adobe has currently?

10:47:03 18 A. No.

10:47:10 19 Q. Do you know whether there have been efforts  
10:47:12 20 over time to reduce or streamline Adobe's job  
10:47:16 21 categories?

10:47:18 22 A. We have tried to consolidate the number of jobs  
10:47:21 23 we utilize, yes.

10:47:26 24 Q. How so?

10:47:28 25 A. So as I mentioned earlier, every job has a

10:47:33 1 discrete salary range, [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
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[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

10:48:19 11 Q. Further down in paragraph 4 of Donna Morris'

10:48:22 12 declaration, and I'm picking up just at the very last

10:48:25 13 line of page 1, she states, "[REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]."

10:48:52 18 Did I get that right?

10:48:54 19 A. Yep.

10:48:59 20 Q. What is the purpose -- or what purpose is

10:49:02 21 served by helping to guide compensation decisions?

10:49:09 22 A. What purpose is served? Kind of -- can you

10:49:12 23 help me understand your question?

10:49:14 24 Q. Well, why -- why does Adobe want to -- or why

10:49:25 25 has Adobe wanted to help guide compensation decisions as

10:49:33 1 Ms. Morris states in her declaration?

10:49:38 2 A. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

10:50:01 8 Q. Well, in what -- Ms. Morris states, "to help

10:50:13 9 guide compensation decisions." I guess my question is,

10:50:15 10 to help guide compensation decisions in what direction

10:50:20 11 or --

10:50:21 12 A. Probably in any direction. So as a manager we

10:50:24 13 make decisions around new hires, we make decisions

10:50:27 14 around annual review, we make decisions around

10:50:30 15 promotions. And so, you know, a salary range, you know,

10:50:35 16 helps you from the perspective of identifying kind of

10:50:38 17 what the appropriate level of pay could be for a

10:50:42 18 particular job.

10:50:46 19 You know, a job description helps in ensuring

10:50:48 20 that you are kind of looking at the right kind of job

10:50:50 21 and the right, you know, pay information as it relates

10:50:54 22 to your job.

10:50:59 23 Q. So did -- or does Adobe assign each employee a

10:51:04 24 job code -- well, let me back up.

10:51:10 25 Does each job code have a salary range

10:51:13 1 associated with it?

10:51:13 2 A. It does. Correct.

10:51:21 3 Q. And so by assigning each employee a job code

10:51:25 4 and a salary range, is Adobe trying to guide

10:51:28 5 compensation decisions into the salary range?

10:51:35 6 MR. KIERNAN: Objection to form.

10:51:38 7 THE WITNESS: [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

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[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

10:52:29 22 MS. LEEBOVE: Q. Is the purpose of the

10:52:32 23 salary ranges that are associated with job codes to

10:52:36 24 guide managers to compensate employees within the

10:52:41 25 salary range assigned to their job code?

10:52:44 1 MR. KIERNAN: Object to form.

10:52:49 2

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

10:53:31 12

MS. LEEBOVE: Q. Does Adobe generally

10:53:46 13

believe that employees should be paid within the

10:53:49 14

salary range assigned to their job code?

10:53:53 15

A.

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

[REDACTED] 1

10:54:24 25

Q. Does Adobe do any studies as to whether

10:54:26 1 employees are being paid in or out of range?

10:54:29 2 A. We do. We not only look at those below, but we  
10:54:33 3 look at those above, we look at people where they're  
10:54:36 4 positioned within the actual range. So we do look at  
10:54:40 5 that information.

10:54:49 6 Q. Is it the compensation analysts who look at  
10:54:51 7 that information and make those determinations?

10:54:53 8 A. It is the compensation analyst that does that.

10:55:02 9 Q. Do the salary ranges associated with each job  
10:55:06 10 code generally -- well, are they -- do they exist in  
10:55:10 11 part to make compensation decisions more expedient?

10:55:15 12 A. I wouldn't say it's an expedient issue. It's  
10:55:20 13 more of a, you know, what do we need to be targeting in  
10:55:25 14 order to be competitive.

10:55:27 15 Q. What would happen if there were no salary  
10:55:32 16 ranges associated with each job code? How would  
10:55:35 17 compensation be determined then?

10:55:37 18 MR. KIERNAN: Object to form.

10:55:39 19 THE WITNESS: I don't know.

10:55:48 20 MS. LEEBOVE: Q. Did you say you didn't  
10:55:49 21 know?

10:55:49 22 A. Yeah. Don't know.

10:55:53 23 Q. Continuing on with paragraph 4 of Ms. Morris'  
10:55:58 24 declaration, the very last phrase in paragraph 4, which  
10:56:03 25 appears on page 2 says, [REDACTED]



10:56:07 1

[REDACTED]

[REDACTED] 2

[REDACTED]. " Do you see that?

10:56:14 3

A. Yeah.

10:56:15 4

Q. Is that true?

10:56:15 5

A. Yeah. Roughly.

10:56:20 6

Q. And how have the job codes changed over time?

10:56:24 7

A. I think we -- you can see fluctuations, right?

10:56:30 8

With the acquisition of new companies, you bring in some

10:56:34 9

new jobs, because sometimes we inherit talent that are

10:56:40 10

in roles that we may not have had previously. We add.

10:56:44 11

So as we expand into different geographies, you've got

10:56:48 12

to create job codes for, you know, roles in those

10:56:50 13

geographies. So we tend to see those numbers fluctuate

10:56:56 14

up or down. Or if we close offices or close a

10:56:59 15

particular geography, then you might see them go away.

10:57:04 16

Q. And has there been an effort within Adobe to

10:57:07 17

reduce the number of job codes Adobe uses for its

10:57:09 18

employees?

10:57:11 19

A. [REDACTED]

[REDACTED]

[REDACTED]

10:57:22 21

Q. Do you know how many unique job codes Adobe

10:57:25 22

currently uses?

10:57:26 23

A. I don't.

10:57:29 24

Q. Do you know whether Adobe has tracked the

10:57:30 25

number of job codes that have been in use throughout the

10:57:33 1 class period?

10:57:34 2 A. No.

10:57:35 3 Q. No, you don't know or no, they haven't tracked?

10:57:37 4 A. No, I don't know.

10:57:49 5 Q. Continuing on to paragraph 5 of Ms. Morris'

10:57:56 6 declaration. Is there anything in paragraph 5 that

10:57:59 7 you -- I want you to take a moment to review it. But if

10:58:04 8 you could let me know if there is anything that you

10:58:05 9 would change about that to better define Adobe's

10:58:11 10 compensation package.

10:58:24 11 A. I believe that's fair.

10:58:30 12 Q. Has it always -- well, throughout your tenure

10:58:37 13 at Adobe, has it been Adobe's policy to compensate

10:58:42 14 employees based on their performance and expected future

10:58:46 15 contribution?

10:58:46 16 A. It has.

10:58:51 17 Q. At any point in your tenure at Adobe, has Adobe

10:58:55 18 sought pay equality or parity among employees with the

10:58:59 19 same job code?

10:59:00 20 A. No.

10:59:08 21 Q. Throughout the class period, has Adobe believed

10:59:10 22 that differentiating compensation based on performance

10:59:15 23 increases employee satisfaction?

10:59:18 24 A. Yeah, I don't know the answer to that.

10:59:28 25 Q. As a compensation specialist at Adobe, do you

10:59:34 1 believe it's important to differentiate compensation  
10:59:37 2 based on performance?

10:59:38 3 A. I do.

10:59:39 4 Q. Why?

10:59:39 5 A. I think people, you know, should be paid based  
10:59:43 6 on the contributions that they make.

10:59:59 7 Q. How does Apple send a -- or Apple. I'm sorry.  
11:00:02 8 Got my -- I'm completely conflating my defendants here.

11:00:07 9 How does Adobe send its employees clear  
11:00:12 10 messages that they're not performing and that they have  
11:00:15 11 to improve their performance?

11:00:17 12 A. Well, Adobe doesn't really do that. It's more  
11:00:21 13 each manager, right? Managers have accountability for  
11:00:25 14 the people they manage, and they're responsible for  
11:00:27 15 assessing their performance and their contributions.

11:00:32 16 Q. What happens to underperforming employees at  
11:00:35 17 Adobe?

11:00:39 18 MR. KIERNAN: Object to form.

11:00:40 19 THE WITNESS: I don't know.

11:00:41 20 MS. LEEBOVE: Q. Well, what happens to  
11:00:47 21 underperforming employees at Adobe in terms of their  
11:00:50 22 compensation?

11:00:51 23 A. I don't know.

11:00:58 24 Q. Are underperforming employees paid below the  
11:01:02 25 minimum of their salary range?

11:01:04 1 A. I don't know.

11:01:15 2 Q. Generally speaking, would an underperforming  
11:01:17 3 employee at Adobe still be paid within the salary range  
11:01:20 4 associated with his or her job code?

11:01:22 5 A. I don't know. Have to look.

11:01:26 6 Q. Are you aware of any policy at Adobe with  
11:01:29 7 regard to paying underperforming employees within the  
11:01:32 8 salary range associated with their job code?

11:01:39 9 A. A policy? No.

11:01:48 10 Q. Are you aware of a general practice at Adobe  
11:01:51 11 with regard to paying underperforming employees within  
11:01:54 12 the salary range associated with their job code?

11:01:56 13 A. I'm not aware of a practice.

11:02:06 14 Q. Is underperformance one reason why an employee  
11:02:09 15 might be paid less than the minimum salary associated  
11:02:13 16 with their job code?

11:02:18 17 A. I don't know. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] ■ [REDACTED]  
[REDACTED] ■ [REDACTED]  
[REDACTED] ■ [REDACTED]

11:03:00 4 Q. Does Adobe have a policy against awarding merit  
11:03:03 5 salary increases to employees who are underperforming?

11:03:06 6 A. [REDACTED] [REDACTED]

[REDACTED] ■ [REDACTED]  
[REDACTED] ■ [REDACTED] [REDACTED]  
[REDACTED] ■ [REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

11:03:21 11 Q. Does Adobe maintain a guideline against  
11:03:28 12 awarding merit salary increases to employees who are  
11:03:31 13 underperformers?

11:03:32 14 A. [REDACTED] [REDACTED]

[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

11:03:47 19 Q. Is there anything to prevent a manager from  
11:03:50 20 increasing an underperforming employee's salary at focal  
11:03:54 21 review?

11:03:54 22 A. [REDACTED] [REDACTED]

[REDACTED] ■ [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]



11:19:24 1 A. God, getting into a level of granularity I  
11:19:34 2 don't remember. Well, I probably shouldn't because I  
11:19:36 3 don't remember.

11:19:37 4 Q. If you don't remember, that's fair.

11:19:40 5 A. Okay.

11:19:41 6 Q. I guess what I'm trying to understand is, if I  
11:19:43 7 was either a lazy or completely mathematically  
11:19:48 8 challenged manager who couldn't deal with percentages  
11:19:50 9 and numbers --

11:19:51 10 A. Yeah.

11:19:51 11 Q. -- is there a way that I could use that salary  
11:19:54 12 tool to tell the software how I ranked my employees and  
11:19:59 13 have the salary tool tell me by how much I should  
11:20:03 14 increase each of their salaries and stay within my  
11:20:06 15 budget?

11:20:06 16 A. Yeah. And I don't remember. I'm inclined to  
11:20:10 17 say no. And the reason I say that, and I'm just -- you  
11:20:13 18 know, I don't remember this, but we typically had a  
11:20:16 19 range, right? And so unless you kind of defaulted, you  
11:20:23 20 wouldn't know where to pick within the range  
11:20:25 21 automatically.

11:20:26 22 Q. So what do you mean, unless I -- unless the  
11:20:28 23 manager defaulted?

11:20:31 24 A. Unless we program the tool to default. Not the  
11:20:34 25 manager.

11:20:39 1 Q. Do you mean if Adobe programmed the tool to  
11:20:42 2 default as a matter of Adobe policy?

11:20:44 3 MR. KIERNAN: Object to form.

11:20:45 4 THE WITNESS: No. Your question to me was, you  
11:20:47 5 know, does the software, you know, provide a mechanism  
11:20:49 6 for the lazy manager to go ahead and input a ranking and  
11:20:53 7 then automatically recommend an increase? And I'm  
11:20:55 8 saying unless -- I don't think that would have been the  
11:20:58 9 case, I can't remember, because we had a range typically  
11:21:03 10 for any performance level. It wasn't like a flat  
11:21:05 11 amount.

11:21:06 12 And so unless we programmed to some sort of  
11:21:10 13 default within that range, it wouldn't have known what  
11:21:13 14 to pick, right? So I guess I'm telling you I don't know  
11:21:17 15 because I don't remember what was programmed.

11:21:19 16 MS. LEEBOVE: Q. Okay then, I'll stick  
11:21:21 17 with the "I don't know."

11:21:29 18 So I'm turning to paragraph 7, back to  
11:21:33 19 paragraph 7 of Donna Morris' declaration. And the first  
11:21:38 20 sentence states, "Adobe did not determine compensation  
11:21:41 21 for individual employees on a company-wide basis."

11:21:44 22 Did I read that right?

11:21:45 23 A. Yeah.

11:21:46 24 Q. And is that your understanding -- do you  
11:21:48 25 believe that to be true?



11:21:50 1 A. I do.

11:21:58 2 Q. And Ms. Morris continues, "Instead, managers  
11:22:01 3 determine the compensation for individual employees  
11:22:03 4 within a business unit, and were required to  
11:22:06 5 differentiate compensation among employees based on  
11:22:09 6 performance levels, performance reviews, and the  
11:22:12 7 manager's assessment of the employee's expected future  
11:22:15 8 contribution to the company."

11:22:17 9 Did I get that right?

11:22:18 10 A. Correct.

11:22:19 11 Q. Do you agree with that as well?

11:22:20 12 A. I do.

11:22:21 13 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

11:23:10 1

Q. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

11:23:42 11

Q. How does Adobe go about differentiating

11:23:45 12

compensation based on performance?

11:23:48 13

MR. KIERNAN: Object to form.

11:23:50 14

THE WITNESS: Again, we put the onus on the

11:23:52 15

manager, you know, through our trainings. And we're

11:23:57 16

pretty transparent with this with our employees too. We

11:24:00 17

constantly talk about the fact that we are a pay for

11:24:02 18

performance company that, you know, we expect that

11:24:07 19

employees that are contributing at a higher level are

11:24:10 20

going to realize higher compensation in general.

11:24:15 21

But it's also very individual, right? And

11:24:19 22

managers kind of make those assessments and judgments on

11:24:22 23

an individualized basis. It can be very different, but

11:24:25 24

from a framework and a guidelines perspective, a lot of

11:24:28 25

the education and the discussions and the information

11:24:29 1 that we share, we kind of keep hounding that notion in,  
11:24:32 2 right? Pay for performance, make sure we're  
11:24:35 3 differentiating. This is not a "everybody gets paid the  
11:24:40 4 same" environment.

11:24:46 5 Q. Do you know when Adobe started using the term  
11:24:49 6 "pay for performance" to describe its compensation  
11:24:52 7 philosophy?

11:24:53 8 A. Yeah. I'd have -- I don't know exactly when.  
11:24:55 9 I'd have to go look at our documents, you know. It's  
11:25:00 10 very prevalent in the world of compensation. So I feel  
11:25:03 11 like it's been around forever, but I'd have to go back  
11:25:10 12 and look at Adobe's documentation to see when we started  
11:25:14 13 marketing it that way.

11:25:16 14 Q. Do you know when Adobe started using the term  
11:25:18 15 "differentiating" to describe its -- or differentiating  
11:25:20 16 based on performance?

11:25:21 17 A. No. I don't remember exactly when.

11:25:33 18 Q. Is it fair to say that Adobe has aspired to pay  
11:25:35 19 for performance and differentiate salaries based on  
11:25:38 20 performance throughout the class period?

11:25:40 21 A. Yes.

11:25:51 22 MR. KIERNAN: Can we take a short break if you  
11:25:52 23 are going into another paragraph?

11:25:54 24 MS. LEEBOVE: Uh-huh.

11:25:55 25 MR. KIERNAN: Just five minutes.

11:25:56 1 MS. LEEBOVE: Yes.

11:25:58 2 THE VIDEOGRAPHER: This is end of video No. 2.

11:25:59 3 The time is 11:26. We're going off the record.

11:26:07 4 (Recess taken.)

11:39:22 5 THE VIDEOGRAPHER: This is the beginning of

11:39:23 6 video No. 3 in the deposition of Rosemary

11:39:29 7 Arriada-Keiper.

11:39:30 8 The time is 11:39 a.m. We're back on the

11:39:33 9 record.

11:39:37 10 MS. LEEBOVE: Q. So Ms. Arriada-Keiper,

11:39:38 11 I'm going to hand you a document that's already been

11:39:41 12 marked as Exhibit 300 to the deposition of Jeff

11:39:45 13 Vijungco.

11:39:53 14 MR. KIERNAN: Let me just -- so this doesn't

11:39:55 15 get --

11:39:58 16 MS. LEEBOVE: Do you need an extra clip?

11:40:00 17 MR. KIERNAN: No. Thanks, Lisa.

11:40:03 18 The court reporter will take this at the end,

11:40:05 19 so I want to make sure.

11:40:12 20 Okay.

11:40:24 21 MS. LEEBOVE: Q. So Ms. Arriada-Keiper, I

11:40:25 22 can tell you my questions are not about the email

11:40:29 23 messages so much as about the attachment --

11:40:31 24 A. Okay.

11:40:31 25 Q. -- which is the U.S. Frequently Asked Questions

12:01:03 1 (Whereupon, Exhibit 2488 was marked for  
12:01:03 2 identification.)

12:01:04 3 MS. LEEBOVE: And, Counsel, I've been writing  
12:01:05 4 the exhibit number on the documents I've been handing  
12:01:08 5 you. I'm not sure if that's something you want me to  
12:01:11 6 stop doing.

12:01:12 7 MR. KIERNAN: No, that's great. I usually do  
12:01:13 8 it. If you are going to do it, that's wonderful.

12:01:17 9 MS. LEEBOVE: That way I know at least if -- at  
12:01:20 10 least we'll be on the wrong page together.

12:01:23 11 MR. KIERNAN: That's right.

12:01:28 12 MS. LEEBOVE: Q. So Ms. Arriada-Keiper,  
12:01:29 13 you've been handed a document that's been marked  
12:01:32 14 Exhibit 2488. It bears -- the first page bears a  
12:01:35 15 Bates stamp ADOBE\_100344 and it runs through 100367.  
12:01:42 16 And please take the time that you need to review it.

12:03:48 17 A. Wow.

12:03:50 18 Q. Do you recognize Exhibit 2488?

12:03:55 19 A. I do not.

12:03:55 20 Q. Have you ever seen Exhibit 2488 before?

12:03:57 21 A. No.

12:04:02 22 Q. If you turn to page 100347, it's page 4 of the  
12:04:07 23 document.

12:04:11 24 A. Yeah.

12:04:16 25 Q. In the sort of second arrow it says,

12:04:19 1 "Inconsistent application of performance criteria," and  
12:04:23 2 then there is an arrow pointing toward "Consistent  
12:04:27 3 application."

12:04:30 4 Have you ever -- are you aware that managers  
12:04:38 5 within Adobe were inconsistently applying performance  
12:04:42 6 criteria in reviewing their employees for salary  
12:04:47 7 increases?

12:04:48 8 MR. KIERNAN: Object to form.

12:04:53 9 THE WITNESS: I was not.

12:04:57 10 MS. LEEBOVE: Q. Do you know whether Adobe  
12:04:58 11 has monitored whether managers are consistently  
12:05:01 12 applying performance criteria over the class period?

12:05:04 13 A. I don't know. You know, like I mentioned  
12:05:08 14 before, we do look at distributions and differentiation,  
12:05:12 15 but I don't know about monitor, per se. It's more  
12:05:17 16 reporting back out.

12:05:19 17 Q. Do you know -- well, does this appear to you to  
12:05:28 18 be a presentation prepared by Debbie Streeter?

12:05:33 19 A. Has her name on it.

12:05:38 20 Q. Have you ever discussed with Debbie Streeter  
12:05:40 21 whether managers have been inconsistently applying  
12:05:43 22 performance criteria?

12:05:44 23 A. No.

12:05:48 24 Q. Is there something about -- well, are you aware  
12:05:58 25 whether there has been a shift at some point, or whether

12:06:02 1 there was a shift during the class period from  
12:06:07 2 inconsistent application of performance criteria to  
12:06:10 3 consistent application of performance criteria?

12:06:13 4 A. I don't know if there was a shift, you know.

12:06:16 5 What I would say is during the class period, we did a  
12:06:22 6 lot of strong messaging around the importance of pay for  
12:06:25 7 performance models and the importance of differentiating  
12:06:30 8 and assessing people based on their contributions.

12:06:43 9 Q. What was the purpose of that strong messaging?

12:06:46 10 A. I think to emphasize, you know, to the  
12:06:48 11 organization that we are a pay for performance culture.  
12:06:53 12 Really wanting to educate employees and managers around  
12:06:57 13 that.

12:07:01 14 Q. During the class period, was there already a  
12:07:04 15 strong pay for performance culture or was Adobe trying  
12:07:09 16 to create a strong pay for performance culture during  
12:07:13 17 the class period?

12:07:15 18 A. I don't know the answer to that. When I joined  
12:07:17 19 the company as an employee, it was very evident to me  
12:07:21 20 that it was a pay for performance model.

12:07:27 21 Q. That was back in --

12:07:29 22 A. '98.

12:07:29 23 Q. -- '98?

12:07:43 24 Were you aware of any discussion within Adobe  
12:07:47 25 during the class period about inconsistent application

12:07:50 1 of performance criteria?

12:07:51 2 A. No.

12:08:01 3 Q. Have you ever believed that managers were  
12:08:03 4 inconsistently applying performance criteria?

12:08:09 5 A. I believe some managers are better at applying  
12:08:13 6 differentiating than others.

12:08:22 7 Q. Does Adobe reward managers that are better than  
12:08:26 8 others at applying performance criteria?

12:08:31 9 A. No.

12:08:36 10 Q. What, if anything, does Adobe do to make sure  
12:08:39 11 that managers consistently apply performance criteria to  
12:08:42 12 employees in making salary decisions?

12:08:46 13 A. We continue to educate and educate and educate.

12:08:48 14 Q. Is there an enforcement mechanism to accompany  
12:08:50 15 that education?

12:08:51 16 A. Not really. Because at the end of the day, you  
12:08:53 17 know, they have the discretion.

12:09:06 18 Q. Okay. We may come back to this.

12:09:11 19 A. All right.

12:09:12 20 Q. Set it aside, but don't throw it away.

12:09:14 21 A. Okay.

12:09:22 22 MS. LEEBOVE: I'll have this marked next in  
12:09:24 23 order, please.

12:09:39 24 (Whereupon, Exhibit 2489 was marked for  
12:09:39 25 identification.)



12:15:40 1 constitutes an adequate differentiation based on  
12:15:44 2 performance?

12:15:44 3 I know your attorney is going to object to this  
12:15:47 4 question.

12:15:50 5 MR. KIERNAN: As soon as I start looking out  
12:15:51 6 and gazing out the window.

12:15:56 7 MS. LEEBOVE: Q. But I think your earlier  
12:15:59 8 testimony has been that Adobe makes no effort to  
12:16:02 9 equalize pay.

12:16:03 10 A. Correct.

12:16:04 11 Q. And so just assuming that every employee is  
12:16:14 12 already paid differently, how does -- what does a  
12:16:23 13 successful -- what is successful pay differentiation  
12:16:27 14 based on performance?

12:16:31 15 MR. KIERNAN: Object to form.

12:16:33 16 THE WITNESS: Yeah. So it's hard to answer  
12:16:34 17 that question, right? Because it's so unique and  
12:16:38 18 individualized. But, you know, from a compensation  
12:16:41 19 practice perspective, you are taking a snapshot in time.  
12:16:44 20 And our snapshot generally tends to be the annual focal  
12:16:48 21 review, right?

12:16:48 22 So the correlation there is as you start to  
12:16:51 23 kind of roll up all this information, what you want to  
12:16:54 24 see is that generally an HI is getting, on average, a  
12:16:58 25 greater increase than somebody who is a strong, than

12:17:00 1 somebody who is an SC, right?

12:17:08 2 (Reporter clarification.)

12:17:08 3 THE WITNESS: Than somebody who is a solid  
12:17:10 4 contributor. An SC. Sorry. We have all of these  
12:17:11 5 acronyms.

12:17:13 6 So high impact, strong contributor, solid  
12:17:16 7 contributor and a low performer. So on an  
12:17:22 8 individualized basis, you may or may not find that  
12:17:25 9 people fall into that constraint. But on an aggregate  
12:17:28 10 level is what we're really striving for, you want to see  
12:17:31 11 that, right? And if you go back and you look at the  
12:17:33 12 data, you'll see examples of that.

12:17:37 13 Q. Did Adobe ever target a particular percentage  
12:17:40 14 difference in compensation between high performers and  
12:17:47 15 strong performers?

12:17:49 16 A. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

12:18:16 22 Again, managers ultimately have the discretion,  
12:18:19 23 but the way we set up the guidelines, they're structured  
12:18:22 24 in such a way that the guidelines actually encourage  
12:18:25 25 that differentiation.

12:18:30 1 Q. And are there guidelines that recommend, by  
12:18:33 2 percentage, particular -- are there guidelines that  
12:18:36 3 recommend to managers a particular percentage salary  
12:18:39 4 increase based on an employee's performance ranking?

12:18:43 5 A. [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

12:19:33 17 Q. Have there been percentage range guidelines for  
12:19:38 18 salary increases according to performance rating  
12:19:41 19 throughout the class period?

12:19:43 20 A. Say that again. Sorry.

12:19:45 21 Q. I don't know if I can.

12:19:49 22 [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]  
[REDACTED] [REDACTED]

12:20:16 1

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED] Let me back up.

12:20:28 4

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED].

12:21:09 13

Q. Are you familiar with the term "midpoint

12:21:12 14

compression"?

12:21:13 15

A. I am not familiar with midpoint compression.

12:21:16 16

I'm familiar with midpoint and compression.

12:21:21 17

Q. Well, what is -- are you familiar with use of

12:21:26 18

the term "compression" in compensation speak?

12:21:29 19

A. Yes.

12:21:30 20

Q. And what does the term "compression" mean in

12:21:32 21

compensation language?

12:21:33 22

A. Yeah. So compression essentially means, are

12:21:37 23

you creating kind of an issue -- we typically use it in

12:21:40 24

the context of new hires. So what happens is the

12:21:45 25

external market is moving at a pace that's more

01:31:23 1 A. Not really, because I can't read it very well.

01:31:32 2 Yeah, no.

01:31:37 3 Q. What, if anything, do you understand Delia was  
01:31:40 4 referring to when she says that the midpoint compression  
01:31:52 5 can -- well, she says, "The midpoint compression is a  
01:31:57 6 reality."

01:31:59 7 And then skipping down, "It is not necessarily  
01:32:01 8 a bad thing (in the future a role like this can bring  
01:32:06 9 more stability to our internal equity), but the  
01:32:08 10 implementation now is completely affecting our internal  
01:32:11 11 equity."

01:32:12 12 Do you understand what she means by that?

01:32:13 13 A. I don't know exactly what she means by that.

01:32:20 14 Q. What do you understand this to mean?

01:32:25 15 A. So what -- I understand compression, and I know  
01:32:29 16 Romania is a market where volatility with the labor  
01:32:33 17 market is really high, and the rates move quite a bit.  
01:32:37 18 So they are challenged, oftentimes with compression  
01:32:40 19 issues as an organization, because there is such a high  
01:32:46 20 demand in the market, and the internal pay rates aren't  
01:32:50 21 aligning to the market.

01:32:53 22 So I'm guessing it has something to do with  
01:32:55 23 that. But I don't really know what she means by  
01:32:57 24 simulation of the -- I don't know what she's doing here.

01:33:00 25 Q. Okay. And so what is it -- is it fair to say

01:33:04 1 that Delia, based on her Friday, January 8th message at  
01:33:10 2 8:26 p.m., and her earlier message at 12:40 p.m. on that  
01:33:17 3 same date, it's -- does it seem fair to say that she  
01:33:26 4 believes that the compression issue is -- what -- well,  
01:33:32 5 what do you understand her to mean by internal equity?  
01:33:34 6 That it's affecting -- compression is affecting Adobe's  
01:33:39 7 internal equity or badly affecting internal equity?

01:33:45 8 A. I don't -- I'm not sure what she's referencing  
01:33:47 9 here.

01:33:52 10 Q. Have you used the term "internal equity" in  
01:33:54 11 your work in compensation?

01:33:56 12 A. Yep.

01:33:57 13 Q. What does internal equity mean?

01:33:58 14 A. So we use internal equity primarily in the  
01:34:01 15 capacity of looking at, again, typically new hires. So  
01:34:09 16 what we try to do is similar to when I talked about this  
01:34:12 17 notion around compression, it's kind of the same  
01:34:17 18 concept. When you are bringing somebody in at a higher  
01:34:20 19 rate than everybody else in your organization, you want  
01:34:22 20 to be cognizant of why you are doing that.

01:34:25 21 There is a number of reasons. Sometimes it's  
01:34:25 22 compression, sometimes it's because you've got a star  
01:34:27 23 player, you may have a team of individuals that aren't  
01:34:30 24 high impact employees. There is a variety of reasons.  
01:34:34 25 But as managers kind of consider their decisions, we do

01:34:37 1 ask them to kind of think about the pay of their team  
01:34:39 2 members, right?

01:34:41 3 Q. And why, though?

01:34:44 4 A. Because it can, again, from a management  
01:34:48 5 perspective, just create some opportunities for  
01:34:51 6 discussions with managers because employees talk about  
01:34:53 7 their compensation. So if a manager can clearly  
01:34:58 8 articulate it, then great, right?

01:35:00 9 But we just want them to be aware that if  
01:35:02 10 you've got a high impact employee in your organization,  
01:35:05 11 and you are now bringing somebody in from the outside  
01:35:07 12 that's not proven themselves, you might have to explain  
01:35:10 13 why. And so, you know, you have the right to do that,  
01:35:13 14 just make sure that you understand why you are making  
01:35:15 15 the decisions that you are making.

01:35:18 16 Q. Does -- is there a fear within Adobe that  
01:35:23 17 internal inequity would affect employee morale?

01:35:27 18 MR. KIERNAN: Objection to form.

01:35:30 19 THE WITNESS: Yeah. No. How can I explain  
01:35:35 20 internal equity? Internal equity is, again, just  
01:35:39 21 another factor that we ask kind of managers to think  
01:35:43 22 about as they're making decisions relative to people's  
01:35:47 23 salaries. It's, you know, often looked at as kind of a  
01:35:51 24 factor that you think about, but it doesn't really  
01:35:57 25 dictate anything, it just kind of informs, right?

01:36:01 1 So myself, as an example, if I'm bringing in  
01:36:03 2 somebody from the outside and I'm thinking about what's  
01:36:06 3 this offer that I want to make to this individual, I  
01:36:08 4 will generally look at my team and see where they're  
01:36:12 5 positioned, you know, and kind of make a judgment call  
01:36:15 6 there. Because I do know that these individuals are  
01:36:16 7 going to be working side by side, and, you know, it can  
01:36:22 8 potentially have implications for me as a manager if  
01:36:26 9 they're performing exactly the same way and they feel  
01:36:29 10 like there is not a perceived fairness in terms of their  
01:36:32 11 pay, right?

01:36:32 12 MS. LEEBOVE: Q. I'm sorry, did I  
01:36:33 13 interrupt you?

01:36:34 14 A. No.

01:36:34 15 Q. So what would the implications be for you as a  
01:36:39 16 manager?

01:36:40 17 A. A conversation to have to explain to the  
01:36:42 18 individual why I made the decision that I did, right?  
01:36:45 19 And there may be reasons for why I do that, and I'm  
01:36:48 20 perfectly comfortable with it.

01:36:50 21 And in other instances, I may say you know  
01:36:54 22 what? It's not worth it to me. I don't want to create  
01:36:56 23 an issue where five people are going to be pissed off  
01:36:59 24 because this person, you know, makes more than them and  
01:37:01 25 haven't been here to prove themselves. So I have to



01:37:05 1 rationalize that as a manager.

01:37:07 2 Q. So why would you not want to have your  
01:37:09 3 employees pissed off?

01:37:10 4 A. Why would I not want to have them pissed off?  
01:37:15 5 You know, I generally like a happy environment. People  
01:37:18 6 are more productive when they're not angry.

01:37:21 7 Q. And then is there -- could it -- is there a  
01:37:23 8 concern that the lack of internal equity might affect  
01:37:32 9 employee attrition?

01:37:32 10 A. No.

01:37:40 11 Q. Have you ever had an experience as a manager  
01:37:42 12 where you did pay a team member disproportionately  
01:37:49 13 compared to other team members and those who were not  
01:37:52 14 paid highly complained to you?

01:37:54 15 A. Yeah.

01:37:55 16 Q. And what was the -- what happened?

01:37:58 17 A. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED] So those are easy.

01:38:23 25 Q. And then is there a way for employees who are

03:14:39 1 So you can potentially have people who have  
03:14:45 2 different types of job responsibilities benchmarked into  
03:14:48 3 the same job. Does that help? And that oftentimes  
03:14:51 4 translates into titles as well, but it's not the title  
03:14:53 5 that drives that. It's what is this person doing.

03:15:08 6 MS. LEEBOVE: Q. If we can move on to  
03:15:11 7 paragraph 8 --

03:15:12 8 A. Okay.

03:15:12 9 Q. -- of Donna Morris' declaration.

03:15:15 10 A. All right. Eight. All right.

03:15:19 11 Q. If you could just have a look at paragraph 8.

03:15:25 12 And I think you have mentioned you haven't seen the  
03:15:29 13 exhibits to the Morris declaration before today?

03:15:31 14 A. I'm glad you brought that up. Because as I was  
03:15:33 15 thinking about that -- so I have seen the exhibits. I  
03:15:35 16 didn't see it in conjunction at the same time -- it  
03:15:39 17 wasn't presented to me in one packet. So I had seen  
03:15:44 18 them prior to signing the declaration.

03:15:45 19 Q. Okay.

03:15:49 20 MR. KIERNAN: Does that make sense, Lisa? What  
03:15:51 21 she's saying is she didn't see it --

03:15:53 22 THE WITNESS: Like this.

03:15:55 23 MR. KIERNAN: -- like --

03:15:56 24 THE WITNESS: That's what I thought you were  
03:15:57 25 meaning. But I had reviewed it in different forms prior

03:15:59 1 to signing the declaration.

03:16:24 2 MS. LEEBOVE: Q. So let me ask you a  
03:16:25 3 question. You hadn't seen the whole declaration  
03:16:28 4 assembled with the exhibits attached, but you had  
03:16:30 5 seen the exhibits before?

03:16:31 6 A. Yes.

03:16:32 7 Q. Had you seen the exhibits knowing that they  
03:16:36 8 were -- the document -- had you seen exhibits knowing  
03:16:40 9 that they were the documents referred to in the  
03:16:42 10 declaration?

03:16:42 11 A. Yes.

03:16:43 12 Q. Okay.

03:16:44 13 A. Yes.

03:16:48 14 Q. Is it your experience at Adobe that Adobe has  
03:16:51 15 reinforced its policy of differentiating compensation  
03:16:54 16 through training and other practices?

03:16:56 17 A. It is.

03:16:58 18 Q. Has Adobe reinforced its policy of  
03:17:02 19 differentiating compensation through training and other  
03:17:05 20 practices throughout the class period?

03:17:06 21 A. Yes.

03:17:07 22 Q. How has Adobe reinforced its policy of  
03:17:14 23 differentiating compensation?

03:17:18 24

03:17:22 1

[REDACTED]

[REDACTED] 2

[REDACTED]

[REDACTED] 3

[REDACTED]

[REDACTED] 4

[REDACTED]

[REDACTED] 5

[REDACTED]

[REDACTED] 6

[REDACTED]

[REDACTED] 7

[REDACTED]

03:17:39 8

I think in all of the communications we do --

03:17:40 9

and that's something that's pretty unique. You know,

03:17:44 10

having worked at Oracle where they never shared anything

03:17:47 11

with the employee population, coming over to Adobe, it's

03:17:50 12

a very transparent environment. We're pretty good

03:17:53 13

about, you know, talking to them about the fact that we

03:17:56 14

do pay for performance. The training materials talk

03:17:58 15

about it.

03:17:59 16

So I think it's just more of a -- we kind of

03:18:02 17

foster an environment that's very candid and open about

03:18:06 18

talking about these things and articulating how we try

03:18:08 19

to do these things. You know, at the end of the day,

03:18:12 20

you know, everything is mitigated by budget and kind of

03:18:17 21

my manager's discretion.

03:18:18 22

But I would be surprised, you know, if you

03:18:21 23

randomly went in and talked to any employee and asked

03:18:24 24

them do you think Adobe is a pay for performance

03:18:26 25

environment. Most people would probably say yeah,

03:20:10 25	Q. Okay.
-------------	----------

03:20:13 1 A. All right.

03:20:14 2 MR. KIERNAN: Maybe start with the first page.

03:20:18 3 My -- isn't that the first page of this? 009295.

03:20:25 4 MS. LEEBOVE: I'm looking at 009303-9.

03:20:30 5 MR. KIERNAN: Sorry, Lisa, what I meant is

03:20:31 6 maybe show her the first page of that exhibit.

03:20:36 7 MS. LEEBOVE: The truth is, I don't know where

03:20:37 8 the first page of that exhibit is.

03:20:40 9 MR. KIERNAN: If you go back, it will have

03:20:42 10 Exhibit 5. If you just count back to -- has 301, 302,

03:20:50 11 then it goes 301, 300, 299, 298, 297.

03:20:58 12 MS. LEEBOVE: Q. 295. 009295 appears to

03:21:02 13 be the first page of Exhibit 5.

03:21:04 14 A. Yes.

03:21:08 15 Q. Have you seen the HR strategic plan for 2010

03:21:11 16 through 2013 before?

03:21:12 17 A. Yeah.

03:21:13 18 Q. Okay. Was it created by Donna Morris?

03:21:18 19 A. I don't know.

03:21:21 20 Q. Do you know where the strategic plan was

03:21:23 21 presented?

03:21:25 22 A. I've seen it at an all-hands meeting hosted by

03:21:28 23 Donna Morris.

03:21:30 24 Q. And who is the audience for --

03:21:34 25 A. HR.

03:26:44 1 hand you want managers to make the decisions that  
03:26:47 2 they're going to make, but on the other hand you  
03:26:48 3 want managers to make the decisions that you want  
03:26:51 4 them to make? How do you reconcile those two  
03:26:54 5 things?

03:26:54 6 A. I think we want them to make informed  
03:26:57 7 decisions. We want them to kind of understand, you  
03:26:59 8 know, what it is that we're trying to drive. And as  
03:27:03 9 long as they have the information, and they're making an  
03:27:07 10 informed decision and feel like, you know, they can  
03:27:09 11 justify it, then it's okay.

03:27:11 12 And there is many a times you are going to see  
03:27:14 13 where managers don't follow our guidelines and don't do  
03:27:16 14 what we do. And that's okay, right? We just want them  
03:27:19 15 to kind of make the best decision that they can given  
03:27:22 16 the information that they have.

03:27:28 17 Q. If you turn to the next page, 009304-10.

03:27:31 18 A. Okay.

03:27:40 19 Q. The header on the page says, "Future State  
03:27:44 20 Overview Managing Performance."

03:27:45 21 A. Yeah.

03:27:45 22 Q. And the second bullet down reads, "Shift from  
03:27:53 23 loose guidelines to firm standards based on performance,  
03:27:56 24 measurement for pay, and equity programs."

03:27:59 25 Did I read that right?

03:28:00 1 A. Uh-huh.

03:28:01 2 Q. What does that mean?

03:28:02 3 A. I don't know.

03:28:06 4 Q. Have you been privy to any discussions within  
03:28:10 5 Adobe about shifting from loose guidelines to firm  
03:28:13 6 standards based on performance measurement for pay and  
03:28:16 7 equity programs?

03:28:17 8 A. No. I mean, you can see that all along we've  
03:28:19 9 kind of provided the guidelines. The guidelines haven't  
03:28:21 10 really changed. So I'm not sure kind of what the  
03:28:25 11 statement there is implying.

03:28:42 12 Q. If you turn to page dash 12.

03:28:48 13 A. Okay.

03:28:55 14 Q. The header is "Total Rewards Strategic  
03:28:58 15 Success," and the second bullet reads, "We are shifting  
03:29:01 16 our strategy to align to a pay for performance culture."  
03:29:07 17 What does that mean to you?

03:29:10 18 A. I don't know. As far as I know, we've been a  
03:29:16 19 pay for performance culture since I joined the company,  
03:29:18 20 so....

03:29:26 21 Stronger messaging, potentially.

03:29:31 22 Q. So is it your -- so it's your understanding  
03:29:33 23 that there always has been a pay for performance  
03:29:35 24 culture?

03:29:36 25 A. Uh-huh.



03:29:37 1 Q. And there would be no need to shift the  
03:29:40 2 strategy to align to that?

03:29:42 3 A. No. I don't know that our strategy has ever  
03:29:46 4 been different. As it relates to pay for performance.  
03:29:52 5 The processes and stuff you can always kind of enhance  
03:29:55 6 and improve, but, you know.

03:29:59 7 Q. And then the next page, page 13, it says,  
03:30:05 8 "Future State Overview Total Rewards Priorities."

03:30:09 9 A. Yeah.

03:30:11 10 Q. And the third one says, "Ensure rewards are  
03:30:14 11 differentiated based on exceptional company and  
03:30:17 12 individual performance for merit equity and variable  
03:30:19 13 compensation."

03:30:21 14 A. Uh-huh.

03:30:22 15 Q. Did I read that right?

03:30:23 16 A. You did.

03:30:24 17 Q. And are you aware of any steps that have been  
03:30:26 18 taken to ensure rewards are differentiated based on  
03:30:31 19 exceptional company and individual performance?

03:30:33 20 A. So I think we've done all of these things. One  
03:30:35 21 thing that you just triggered when you said that, and  
03:30:37 22 maybe that's kind of the bullet point here. But let me  
03:30:41 23 give you an example; [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED] [REDACTED]

---

Page: 186

[REDACTED] [REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

04:02:01 6           You know, in the tool, as an example, if you

04:02:03 7           are a manager and you go to give an increase to someone

04:02:06 8           that's above the maximum of the range, it will tell you,

04:02:09 9           hey, do you know the person is above the maximum in the

04:02:12 10          range. Still move forward, but it kind of -- you know.

04:02:15 11           Q. It will accept the change but with a warning?

04:02:20 12           A. Yeah.

04:02:26 13           Q. How many times can an employee -- can an

04:02:29 14           employee be a low performer before they're asked to

04:02:32 15           leave the company?

04:02:33 16           MR. KIERNAN: Object to form.

04:02:34 17           THE WITNESS: That, I don't know. I don't know

04:02:36 18           about that.

04:02:39 19           MS. LEEBOVE: Q. Is there a point at which

04:02:41 20           a person who is a -- an employee who is a low

04:02:43 21           performer year after year is asked to leave?

04:02:48 22           A. That's kind of case by case, I'm sure. Our

04:02:51 23           lawyers get involved. I would tell you that me as a

04:02:55 24           manager, it wouldn't take -- I wouldn't want year after

04:02:57 25           year of low performance before I dealt with that issue.

04:02:59 1 But it's going to be situational, right?

04:03:19 2 Q. [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

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[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

[REDACTED] [REDACTED]

04:04:33 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

[REDACTED] 1

[REDACTED]

04:04:48 6

Q. Does this roll-up process actually roll up to

04:04:50 7

this CEO of the company?

04:04:52 8

A. It does. Ultimately the CEO is kind of

04:04:58 9

responsible for, you know, at a company level what

04:05:03 10

budget do we come in, what does the distribution look

04:05:05 11

like. So at any point in time, Shantanu could go look

04:05:10 12

at anybody's record.

04:05:12 13

Q. Has Mr. Narayen ever blocked a salary increase

04:05:16 14

for an individual employee?

04:05:22 15

A. Not that I'm aware of.

04:05:23 16

Q. Or required a salary increase for an employee

04:05:25 17

who wasn't going to receive one?

04:05:27 18

A. Not that I know of. I think Shantanu is

04:05:28 19

probably more focused on his directs more than anybody

04:05:31 20

else.

04:05:44 21

Q. How does Adobe determine bonus and equity

04:05:46 22

grants?

04:05:50 23

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

04:07:07 17 Q. How is there -- well, how substantial can an  
04:07:10 18 employee's equity share -- or how substantial an equity  
04:07:15 19 share award can an employee receive -- or what's the  
04:07:18 20 maximum equity share award an employee can receive for a  
04:07:22 21 given year?

04:07:23 22 MR. KIERNAN: Object to form.

04:07:26 23 THE WITNESS: Yeah. So, there is a difference  
04:07:27 24 between shares and value. So we create a pool of shares  
04:07:36 25 based on kind of the budget availability, market

04:07:39 1 practice, et cetera, and managers have the discretion to  
04:07:44 2 apply those shares. The value can fluctuate, right?  
04:07:48 3 Depending on the market price.

04:07:51 4 So I could have given you a hundred shares as  
04:07:55 5 part of the annual review, and on the day that I granted  
04:07:58 6 them to you, they were valued at \$30, and a year from  
04:08:04 7 today they may be valued at \$40. The value has gone up  
04:08:08 8 significantly, so....

04:08:11 9 MS. LEEBOVE: Q. Do those shares generally  
04:08:13 10 vest immediately or is there a vesting?

04:08:15 11 [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

04:08:44 21 (Reporter interruption.)

04:08:45 22 MS. LEEBOVE: Let's try that again.

04:08:46 23 [REDACTED]

[REDACTED]

[REDACTED]

04:08:55 1

[REDACTED]

04:08:56 2

A. That's correct.

04:08:57 3

Q. -- they received?

04:08:59 4

A. That's correct.

04:08:59 5

Q. Okay. Would you please take a look at

04:09:08 6

paragraphs 22 through 26?

04:09:10 7

A. Yeah.

04:09:15 8

Q. And let me know whether there is anything in

04:09:17 9

those that you disagree with or would change to make

04:09:20 10

them more accurate or truthful from your perspective.

04:11:24 11

A. Okay.

04:11:25 12

Q. Is there anything about paragraphs 22 through

04:11:27 13

26 you would change to make them more accurate?

04:11:32 14

A. Not more accurate. In paragraph 22, the last

04:11:34 15

statement there, just a little confusing, right? It

04:11:37 16

says, [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

04:11:48 20

[REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED] [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

04:12:29 8 A. Exactly.

04:12:30 9 Q. Okay. Could you read the next section,  
04:12:36 10 section C, and let me know if there is anything in there  
04:12:38 11 that you would change to make it more truthful or  
04:12:41 12 accurate from your perspective.

04:13:05 13 A. How far down? Sorry.

04:13:07 14 Q. Section C. So through paragraph 31.

04:13:09 15 A. Okay. Perfect.

04:14:57 16 Okay.

04:14:58 17 Q. Is there anything you would change in section C  
04:15:00 18 of the Morris declaration to make it more truthful or  
04:15:03 19 accurate from your perspective?

04:15:04 20 A. No.

04:15:11 21 Q. How are -- how does Adobe determine what to pay  
04:15:16 22 new hires?

04:15:18 23 A. Adobe doesn't determine what to pay a new hire.

04:15:22 24 We create a salary range that's indicative of what the

04:15:27 25 market is for a new hire, and the manager has to

04:15:29 1 determine what it is they want to pay.

04:15:31 2 Q. How is that salary range created?

04:15:34 3 A. We create that salary range through the process  
04:15:36 4 that I described earlier where we are benchmarking  
04:15:41 5 specific jobs to the market, and we either adjust them  
04:15:45 6 up or down based on what the market is telling us by  
04:15:49 7 targeting that 65th percentile of the market.

04:15:53 8 Q. Do managers target the midpoint of the range  
04:15:58 9 for new hires?

04:15:59 10 MR. KIERNAN: Objection. Form.

04:16:01 11 THE WITNESS: Yeah. I don't know what they  
04:16:03 12 specifically target. We educate managers that they need  
04:16:05 13 to think about a number of things, right? So they need  
04:16:09 14 to look at skill level of an individual, the potential  
04:16:16 15 expertise that they're bringing to the table, they need  
04:16:19 16 to look at kind of what's happening within their overall  
04:16:22 17 team, their budget. There is a number of things that  
04:16:26 18 managers have to think about when they determine what  
04:16:28 19 that amount is going to be.

04:16:51 20 MS. LEEBOVE: Would you please mark this the  
04:16:53 21 next in order, Exhibit 2496.

04:17:07 22 (Whereupon, Exhibit 2496 was marked for  
04:17:07 23 identification.)

04:17:09 24 MS. LEEBOVE: Q. Ms. Arriada-Keiper,  
04:17:10 25 you've been handed Exhibit 2496. It's a -- well, a

04:17:15 1 several-page document that begins on ADOBE\_086273

04:17:19 2 and runs through 086276.

04:17:21 3 A. Yes.

04:17:27 4 Q. If you could have a look at it and let me know  
04:17:30 5 when you've done so.

04:17:31 6 A. I've seen this.

04:17:32 7 Q. Do you need more time?

04:17:33 8 A. No.

04:17:33 9 Q. Can you tell me what Exhibit 2496 is?

04:17:36 10 A. Yes. It's a template that we use when we need  
04:17:38 11 to create a job code and get it entered into SAP.

04:17:45 12 Q. This document says at the top that it was  
04:17:47 13 revised in April of '03?

04:17:50 14 A. Okay.

04:17:51 15 Q. And the second page, 086274 says it was revised  
04:17:54 16 in April of '02. But have these form -- have these  
04:18:01 17 forms been further revised since those dates?

04:18:04 18 A. I don't know. I'd have to go check with the  
04:18:06 19 team. I don't do these anymore.

04:18:10 20 Q. Did you used to use these forms?

04:18:12 21 A. Uh-huh. In my days as a comp analyst, I sure  
04:18:15 22 did.

04:18:19 23 Q. So can you walk me through how you would fill  
04:18:22 24 this out? How would you know what job code to put in  
04:18:24 25 that first line?

05:38:10 1 Q. And is this -- when you referred to Donna  
05:38:15 2 reviewing your proposed salary allocations and -- well,  
05:38:20 3 is this the sort of process that you have her engage in  
05:38:23 4 with respect to your reports as well?

05:38:25 5 A. So Donna doesn't typically engage in mine, it's  
05:38:29 6 usually Debbie.

05:38:31 7 Q. Oh, I'm sorry.

05:38:32 8 A. No, that's okay.

05:38:33 9 Q. My mistake. I confuse the D names.

05:38:38 10 A. But Debbie doesn't usually get into this level  
05:38:42 11 of granularity with me.

05:38:45 12 Q. So are Matt Thompson and Donna Morris peers?

05:38:49 13 A. Yes.

05:38:50 14 Q. So is Matt Thompson free to disregard Donna's  
05:38:54 15 proposals or recommendations?

05:38:55 16 A. Yes.

05:38:57 17 Q. Just as any other manager would be free to  
05:38:58 18 disregard them?

05:38:59 19 A. Yep.

05:39:00 20 Q. Okay. What do you understand Donna Morris to  
05:39:08 21 have been conveying when she said that she had reduced  
05:39:12 22 some of the salary adjustments to align with internal  
05:39:14 23 equity?

05:39:18 24 A. It's hard for me to speculate what she was  
05:39:20 25 thinking. But if I were to interpret this, my guess is

05:39:22 1 she was probably looking at what he had indicated in  
05:39:27 2 terms of performance level and contribution, and was  
05:39:30 3 just making him aware that maybe there was some  
05:39:33 4 inconsistencies in terms of the messaging, right?  
05:39:36 5 Because, you know, based on the contributions, these  
05:39:39 6 probably weren't aligning to, you know, what you would  
05:39:42 7 expect in terms of recommendation.

05:39:45 8 Q. And so would it be a problem, for instance,  
05:39:47 9 here for --

05:39:49 10 Is it [REDACTED]?

05:39:53 11 A. Uh-huh.

05:39:53 12 Q. -- to be paid more than a number of Ops Staff  
05:39:56 13 employees?

05:39:56 14 MR. KIERNAN: Objection to form.

05:39:59 15 THE WITNESS: I don't know if it would be a  
05:40:00 16 problem. But again, one of the things he should be  
05:40:04 17 considering about is their contribution level. I don't  
05:40:07 18 know what he was contributing at or what his performance  
05:40:10 19 was, but she probably had some ideas around that.

05:40:14 20 MS. LEEBOVE: Q. So it looks here that  
05:40:15 21 Donna Morris was proposing reducing some salary  
05:40:20 22 adjustments based on internal equity. Do you know  
05:40:23 23 whether managers ever increase salaries to align  
05:40:29 24 with internal equity?

05:40:31 25 A. I don't know what managers do, no. Managers,

05:40:35 1 you know, as we've been saying kind of all along, is  
05:40:38 2 that internal equity is a factor that they have to  
05:40:40 3 consider. So, you know, depending on the individual  
05:40:45 4 scenario and the situation, they may make that decision.  
05:40:49 5 We ask them to consider internal equity when  
05:40:51 6 they're making their salary decisions. That's what  
05:40:55 7 she's doing here. And I don't have the full detail  
05:41:00 8 here, so it's kind of hard to surmise. But if I had to,  
05:41:06 9 again, speculate here, it probably has something to do  
05:41:08 10 with the performance level and not being aligned to the  
05:41:11 11 recommendations.

05:41:13 12 MS. LEEBOVE: Okay. Well, I do not have any  
05:41:17 13 further questions.

05:41:22 14 THE WITNESS: Yay.

05:41:23 15 MS. LEEBOVE: Do you?

05:41:24 16 MR. KIERNAN: (Nonverbal response.)

05:41:24 17 THE VIDEOGRAPHER: This is the end of video  
05:41:26 18 No. 6 and the conclusion of today's proceeding.

05:41:29 19 The time is 5:41 p.m. We're off the record.

05:41:34 20 (The deposition concluded at 5:41 PM)

05:41:34 21

22

23

24

25

1 I, Gina V. Carbone, Certified Shorthand  
2 Reporter licensed in the State of California, License  
3 No. 8249, hereby certify that the deponent was by me  
4 first duly sworn and the foregoing testimony was  
5 reported by me and was thereafter transcribed with  
6 computer-aided transcription; that the foregoing is a  
7 full, complete, and true record of said proceedings.

8 I further certify that I am not of counsel or  
9 attorney for either of any of the parties in the  
10 foregoing proceeding and caption named or in any way  
11 interested in the outcome of the cause in said caption.

12 The dismantling, unsealing, or unbinding of  
13 the original transcript will render the reporter's  
14 certificates null and void.

15 In witness whereof, I have hereunto set my  
16 hand this day: April 10, 2013.

17 \_\_\_X\_\_\_ Reading and Signing was requested.

18 \_\_\_\_\_ Reading and Signing was waived.

19 \_\_\_\_\_ Reading and signing was not requested.

20

21

22

23

GINA V. CARBONE

24

CSR 8249, CRR, CCRR

25

# **Exhibit 10**



UNITED STATES DISTRICT COURT  
NORTHERN DISTRICT OF CALIFORNIA  
SAN JOSE DIVISION

IN RE: HIGH-TECH EMPLOYEE )  
ANTITRUST LITIGATION )  
 ) No. 11-CV-2509-LHK  
THIS DOCUMENT RELATES TO: )  
ALL ACTIONS. )  
\_\_\_\_\_ )

CONFIDENTIAL - ATTORNEYS' EYES ONLY

VIDEO DEPOSITION OF MICHELINE CHAU

FEBRUARY 21, 2013

Reported by: Rosalie A. Kramm, CSR No. 5469, CRR

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Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

09:40:00 1 A. I think so.

09:40:01 2 Q. And was their salary then determined -- or was  
09:40:06 3 their salary somewhere within the range assigned for that  
09:40:09 4 job level?

09:40:10 5 A. I think so.

09:40:18 6 Q. So for each job level was there -- there was a  
09:40:20 7 minimum of the range and a maximum of the range, correct?

09:40:23 8 A. Yes, but my understanding is that range was  
09:40:26 9 somewhat fluid.

09:40:28 10 Q. Okay. Were the -- were the maximum or the  
09:40:31 11 minimums for particular ranges adjusted on an annual  
09:40:34 12 basis?

09:40:35 13 A. I don't know.

09:40:36 14 Q. Were they reviewed on an annual basis?

09:40:38 15 A. I don't know.

09:40:39 16 Q. Was that something that the compensation --  
09:40:42 17 that one of the compensation committees looked at on an  
09:40:44 18 annual basis?

09:40:46 19 A. I don't know.

09:40:47 20 Q. Is there a particular person you would identify  
09:40:50 21 who would know the answer to that question, that reported  
09:40:52 22 up to you?

09:40:53 23 A. I would think that Jan Van der Voort would  
09:40:55 24 know.

09:40:56 25 Q. Okay. Just in terms of the schedule, do you

Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

09:41:08 1 know when salary ranges for job titles or job levels was

09:41:13 2 reviewed?

09:41:13 3 A. I don't know.

09:41:14 4 Q. So you don't know as you sit here today whether

09:41:16 5 it was done annually, biannually?

09:41:21 6 A. No.

09:41:21 7 Q. Never?

09:41:22 8 A. I -- I don't know. Yeah.

09:41:36 9 Q. In connection with its compensation structure,

09:41:44 10 did Lucasfilm look at survey information or other

09:41:54 11 information regarding what other companies paid for

09:41:57 12 similar employees?

09:42:00 13 A. I'm not sure, but I believe it may have.

09:42:02 14 Q. Okay. Did, for example, Lucasfilm subscribe to

09:42:10 15 or participate in market surveys regarding compensation?

09:42:14 16 A. Again, I'm not sure, but I believe it may have.

09:42:21 17 Q. Do you know what -- what was -- what did

09:42:27 18 Lucasfilm do with the information it received from the

09:42:33 19 surveys in setting its compensation?

09:42:38 20 MR. PURCELL: Objection. Foundation.

09:42:39 21 THE WITNESS: I don't know.

09:42:40 22 BY MR. SAVERI:

09:42:41 23 Q. You don't know anything about that.

09:42:42 24 A. No.

09:42:44 25 Q. Now, for example, do you -- do you know whether

Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

09:42:47 1 Lucasfilm had as a goal paying particular employees some  
09:42:55 2 percentage of prevailing market rates for their services?

09:43:00 3 A. Yes.

09:43:01 4 Q. And what -- could you describe that for me,  
09:43:04 5 please.

09:43:05 6 A. Generally, the company tried to pay at the [REDACTED]  
09:43:08 7 percentile, generally.

09:43:10 8 Q. The [REDACTED] percentile of what?

09:43:14 9 A. Salaries in the marketplace.

09:43:16 10 Q. For similar employees?

09:43:18 11 A. Yes.

09:43:22 12 Q. And was the -- to the best of your knowledge,  
09:43:24 13 was the market survey data used to help determine what  
09:43:27 14 that -- to make that calculation?

09:43:29 15 A. I believe so.

09:43:31 16 Q. Were there other employees or job titles or job  
09:43:35 17 classifications where Lucasfilm tried as a goal to pay  
09:43:41 18 compensation at a different level?

09:43:43 19 A. Yes.

09:43:44 20 Q. And what other -- could you describe that for  
09:43:46 21 me, please.

09:43:47 22 A. From time to time, depending on the market  
09:43:49 23 again, I believe that the company went above the [REDACTED]  
09:43:56 24 percentile. I'm not quite sure what percentage we went  
09:43:58 25 to, but certainly closer to [REDACTED] percent. I can't



Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

11:57:00 1 know if internal equity or maintaining internal equity  
11:57:08 2 was a goal of Lucasfilm's compensation structure?

11:57:11 3 A. I'm --

11:57:13 4 MR. PURCELL: Objection. No foundation.

11:57:14 5 THE WITNESS: I guess I don't understand the  
11:57:15 6 question.

11:57:17 7 BY MR. SAVERI:

11:57:17 8 Q. So the best of your knowledge, you don't know  
11:57:19 9 one way or the other whether principles of internal  
11:57:23 10 equity were used in developing or adjusting or  
11:57:25 11 maintaining Lucasfilm's internal compensation structure.

11:57:30 12 MR. PURCELL: Objection. No foundation.

11:57:31 13 THE WITNESS: I guess I don't understand what  
11:57:33 14 "internal equity" quite means.

11:57:37 15 BY MR. SAVERI:

11:57:38 16 Q. Okay. Well, was one of the -- the principles  
11:57:43 17 of the Lucasfilm compensation system to treat like  
11:57:47 18 employees alike?

11:57:50 19 A. I'm actually a huge proponent of pay for  
11:57:53 20 performance.

11:57:54 21 Q. Okay.

11:57:55 22 A. Which is you get paid according to how well you  
11:57:58 23 perform. So I think that's -- if you're implying that  
11:58:03 24 it's about smoothing and every employee gets paid the  
11:58:09 25 same thing, I would vehemently object to that.

Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

11:59:16 1 level?

11:59:19 2 MR. PURCELL: Objection. Vague.

11:59:20 3 THE WITNESS: Yeah, I am not quite sure what  
11:59:21 4 you're --

11:59:25 5 BY MR. SAVERI:

11:59:26 6 Q. Well, did Lucasfilm rate its employees by level  
11:59:30 7 of performance, by category?

11:59:31 8 A. Only by level of performance.

11:59:33 9 Q. What -- were there specific levels that were  
11:59:34 10 used -- of performance that were used to categorize  
11:59:41 11 Lucasfilm employees?

11:59:42 12 A. Well, our performance reviews would categorize  
11:59:45 13 employees, yes.

11:59:45 14 Q. Can you describe for me what that  
11:59:48 15 categorization scheme was?

11:59:50 16 A. I'm being -- I'm being vague on it, because I  
11:59:54 17 don't quite remember, but you could be superior, you  
11:59:57 18 could be incredibly distinguished, you could be just  
12:00:00 19 doing your job, or you could be, you know, in need of  
12:00:03 20 help.

12:00:04 21 Q. Well, I mean was there a -- was there an actual  
12:00:07 22 category, "superior"?

12:00:10 23 A. On your performance review, yes.

12:00:12 24 Q. And was there one below that in terms of  
12:00:15 25 performance?

Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

12:02:04 1 category, the people who were objectively identified as  
12:02:08 2 people who were in that category, superior performers,  
12:02:12 3 did you believe it was important to treat them fairly and  
12:02:16 4 award them fairly for their high performance?

12:02:22 5 MR. PURCELL: Objection. Compound; vague.

12:02:23 6 THE WITNESS: I'm not quite sure what you mean  
12:02:25 7 by "fairly." I -- I -- my philosophy is that they should  
12:02:29 8 be compensated appropriately.

12:02:33 9 BY MR. SAVERI:

12:02:34 10 Q. Right. But is it fair to say that you wanted  
12:02:36 11 to treat the -- the people who were in the superior  
12:02:39 12 category in a way that recognized their superior  
12:02:43 13 performance?

12:02:44 14 A. Yes.

12:02:45 15 Q. And you wanted to treat them in a way that  
12:02:48 16 recognized that performance more positively than people  
12:02:51 17 who didn't perform as well?

12:02:53 18 A. Yes.

12:02:53 19 Q. And, indeed, you used these performance  
12:02:56 20 categories as a mechanism to help you categorize and  
12:02:59 21 administer that, correct?

12:03:01 22 A. Yes.

12:03:01 23 Q. Okay. Now, this slide talks about a target  
12:03:08 24 completion date of December 2006. Do you see that?

12:03:11 25 A. Yes.

Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

12:03:12 1 Q. Was this project completed on or about that  
12:03:15 2 time?

12:03:15 3 A. I can't remember.

12:03:16 4 Q. And do you recall whether this -- well, whether  
12:03:21 5 there was a series or -- do you recall whether there were  
12:03:24 6 recommendations made by Ms. Maupin or Ms. Coker or a  
12:03:30 7 group she was working with, with respect to Lucasfilm's  
12:03:33 8 compensation from the end of 2006 to the beginning of  
12:03:35 9 2007?

12:03:36 10 A. I can't remember.

12:03:39 11 Q. Well, if you look at the bottom of the next  
12:03:43 12 page, there is a bullet for market average base pay. Do  
12:03:48 13 you see that?

12:03:49 14 A. Yes.

12:03:49 15 Q. And then I think we talked about this, but just  
12:03:50 16 let me make sure we're on the same page. [REDACTED]

12:03:54 17 [REDACTED]

12:03:59 18 [REDACTED]

12:04:00 19 A. Yes.

12:04:01 20 Q. And is that what you described to me earlier?

12:04:03 21 A. Yes.

12:04:04 22 Q. And this says, [REDACTED]

12:04:11 23 [REDACTED]

12:04:13 24 [REDACTED]

12:04:16 25 [REDACTED]



Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

12:21:05 1 A. No. This group recommended it.

12:21:08 2 Q. Okay. And then did -- and then the -- part of

12:21:10 3 what the board of directors, at least the compensation

12:21:12 4 committee did, is sign off or -- or adjust it in some

12:21:16 5 fashion.

12:21:19 6 A. Yes.

12:21:19 7 Q. Now, at the bottom of the page there is a

12:21:21 8 chart, and there is a series of performance ratings.

12:21:24 9 A. Uh-huh.

12:21:25 10 Q. Running from distinguished to unsatisfactory.

12:21:28 11 Do you see that?

12:21:28 12 A. Yes.

12:21:29 13 Q. And those are the -- those are the performance

12:21:31 14 categories that we talked about earlier, correct?

12:21:33 15 A. Yes.

12:21:34 16 Q. Does this refresh your recollection about what

12:21:35 17 the categories were?

12:21:37 18 A. Yes. I couldn't remember them all. Yes.

12:21:41 19 Q. And then to -- to the right of that there are

12:21:46 20 suggested merit increases. Do you see that?

12:21:48 21 A. Yes.

12:21:54 22 Q. Is -- does this summarize the kind of process

12:21:58 23 for determining merit increases for people who fell into

12:22:02 24 those categories?

12:22:04 25 A. Generally, yes.

Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

12:22:05 1 Q. So, for example, this was dated 2009. There is  
12:22:08 2 a column for 2008. Do you see that?

12:22:11 3 A. Yes.

12:22:12 4 Q. And in 2008 it looks like there was a [REDACTED] percent  
12:22:17 5 budgeted merit increase; is that correct?

12:22:20 6 A. It looks like it, yes.

12:22:21 7 Q. And, for example, during that year people who  
12:22:25 8 fell in the distinguished category got a [REDACTED] percent salary  
12:22:30 9 increase based on merit, correct?

12:22:33 10 A. My understanding is that that's not a hard and  
12:22:36 11 fast rule. You could actually get the [REDACTED] percent, but  
12:22:40 12 you had to stay within the budget.

12:22:42 13 Q. Okay. But -- so these are -- these are  
12:22:48 14 suggestions.

12:22:48 15 A. They are guidelines.

12:22:50 16 Q. Okay. But is it fair to say that the  
12:22:53 17 suggestion is that generally people in the distinguished  
12:22:55 18 category get [REDACTED] percent?

12:22:56 19 A. Yes.

12:22:57 20 Q. And then depending on where you fit in, you'll  
12:23:01 21 get something lower than that. So, for example --

12:23:04 22 A. Or higher.

12:23:05 23 Q. Well, the distinguished --

12:23:06 24 A. Oh, I see. Yes. Well, not necessarily. A  
12:23:10 25 superior could get more. The -- the -- these are general

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In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

12:23:14 1 guidelines, but the managers had the discretion to move  
12:23:18 2 between these as long as they didn't overspend their  
12:23:22 3 budget.

12:23:38 4 Q. Now on the -- on the ninth page it says,  
12:23:40 5 "Currently Scheduled."

12:23:42 6 A. Yes.

12:23:42 7 Q. So it says, "Mich executive review meetings."  
12:23:46 8 Do you see that?

12:23:47 9 A. Yes.

12:23:48 10 Q. What is that a reference to? "Mich" is a  
12:23:49 11 reference to you, correct?

12:23:50 12 A. Yes.

12:23:50 13 Q. And what is that a reference to?

12:23:52 14 A. The executives would come to me and tell me  
12:23:54 15 what they were recommending.

12:23:56 16 Q. In terms of what?

12:23:57 17 A. Bonuses, merit increases.

12:24:00 18 Q. For particular people?

12:24:02 19 A. It would be -- I would get a spreadsheet of  
12:24:06 20 everybody in their organization, but the discussion  
12:24:09 21 generally was very high level. This is, you know, "Here  
12:24:13 22 is how much of my budget I spent, here is what I want to  
12:24:17 23 do, and here are these people that I want to recognize  
12:24:21 24 especially. Here are the folks that I don't like."  
12:24:25 25 So --

Deposition of Micheline Chau

In Re: HIGH-TECH EMPLOYEE ANTITRUST LITIGATION

16:41:10 1 I, Rosalie A. Kramm, Certified Shorthand  
 16:41:10 2 Reporter licensed in the State of California, License No.  
 16:41:10 3 5469, hereby certify that the deponent was by me first  
 16:41:10 4 duly sworn and the foregoing testimony was reported by me  
 16:41:10 5 and was thereafter transcribed with computer-aided  
 16:41:10 6 transcription; that the foregoing is a full, complete,  
 16:41:10 7 and true record of said proceedings.

16:41:10 8 I further certify that I am not of counsel or  
 16:41:10 9 attorney for either of any of the parties in the  
 16:41:10 10 foregoing proceeding and caption named or in any way  
 16:41:10 11 interested in the outcome of the cause in said caption.

16:41:10 12 The dismantling, unsealing, or unbinding of the  
 16:41:10 13 original transcript will render the reporter's  
 16:41:10 14 certificates null and void.

16:41:10 15 In witness whereof, I have hereunto set my hand  
 16:41:10 16 this day: March 2, 2013.

16:41:10 17   X   Reading and Signing was requested.

16:41:10 18        Reading and Signing was waived.

16:41:10 19        Reading and signing was not requested.

16:41:10 20

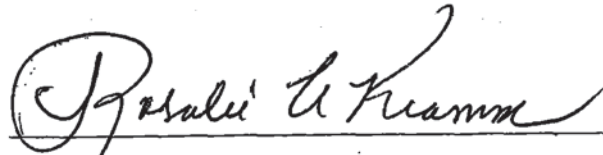
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ROSALIE A. KRAMM

CSR 5469, RPR, CRR